

2. Comments and Responses

The *City Heights Planned Mixed-Use Development Draft Environmental Impact Statement* (EIS) was circulated for a 45-day public and agency comment period from April 23 through June 7, 2010. Written comments were received from one Federal agency, one Tribe, four State agencies, two County agencies, the School District, two organizations that are area land owners, and ten individuals.

The City's response to comments received is organized below by agencies, Tribes and organizations (Section 2.1), and individuals (Section 2.2), in alphabetical order within the categories listed above. Responses to comments constitute the response of the City of Cle Elum Community Development Department. All comments received, and the response to comments will be considered by City decision makers (the Planning Commission and City Council) when taking action to approve, condition, or deny the City Heights Planned Mixed-Use Development and Development Agreement to be negotiated between the City and the project proponent.

This Final EIS will be distributed to everyone on the Draft EIS Distribution List (Chapter 5 in that document), plus persons who commented that were not on that list. There is a 7-day waiting period following issuance of the Final EIS before the City can take action on the proposal; however, the City's development review process is expected to take longer than this amount of time. There will be additional advertised public meetings and opportunities for public comment during deliberations by the Planning Commission and City Council.

2.1 Comments Received from Agencies, Tribes and Organizations, and the City's Response

The City of Cle Elum received written comments on the Draft EIS and City Heights proposal from the Bonneville Power Administration, Yakama Nation, Washington State Department of Archaeology and Historic Preservation (DAHP), Washington State Department of Ecology (Ecology), Washington State Department of Fish and Wildlife (WDFW), Washington State Department of Transportation (WSDOT), Kittitas County Department of Public Works, Kittitas County Water District #2, the Cle Elum-Roslyn School District, Central Cascades Land Company, and Suncadia. These comments have been numbered in the margin of each letter for ease of correlating written responses. Each letter is reproduced in this Final EIS, followed by the City's response. Unmarked original letters of comment have been retained in the City's project file.

Comments received from individuals and the City's response to those comments are reproduced in Final EIS Section 2.2.



City of Cle Elum <eiscomment@gmail.com>

City Heights Draft EIS & Technical Reports

1 message

Olson,Lesli D - TERR-BELL-1 <ldolson@bpa.gov>

Thu, Apr 29, 2010 at 2:51 PM

To: Matt Morton <eiscomment@gmail.com>

Dear Mr. Morton:

I am in receipt of your request for comments regarding the City Heights Draft Environmental Impact Statement and Technical Reports. I understand that you recently spoke with Lila Black and agreed to note that her comments on this review request are the same as those you received on a different phase of the project back in January 2010. If you find that you need anything further, please contact Lila at (509) 925-2088.

Thank you for the opportunity to review this notice.

Respectfully,
Lesli Olson
Realty Tech II
Bonneville Power Administration
(509) 358-7437

RESPONSE TO COMMENTS SUBMITTED BY THE BONNEVILLE POWER ADMINISTRATION

No response required.

The City received comments from the Bonneville Power Administration during the City Heights Draft EIS Scoping process conducted in June 2009. Information provided in comments submitted at that time were included in Draft EIS Chapter 3, Section 3.18.4, Utilities: Electrical Service.



Confederated Tribes and Bands
of the Yakama Nation

Established by the
Treaty of June 9, 1855

June 1, 2010

Matt Morton, Community Development Director
City of Cle Elum
119 W. First Street
Cle Elum, WA 98922-1159

Subject: Historic and Cultural (3.15), City Heights Planned Mixed-Use Development

Dear Mr. Morton:

My staff has reviewed the Historic and Cultural Resources (3.15) section of the City Heights Environmental Impact Statement (EIS). In the first paragraph of section 3.15 it states, "no cultural resources were identified during the course of this survey" and claims the archaeological consultant recommended "a finding of No Impact for the purposes of the proposed development".

1 Under affected environment, two historic mining features documented during the survey are discussed contradicting the statement that none were found. The archaeological consultant, Reiss-Landreau Research, said the historic features are potentially contributory to the greater Cle Elum Mining District and recommended they be avoided until the entire district is documented and recorded and a mitigation plan is developed. They concluded that they should be avoided. The consultant said, "If the two mining sites are avoided until mitigated, there will be no direct effects and Reiss-Landreau Research (RLR) recommends a finding of NO ADVERSE EFFECT upon cultural resources for the purposes of this proposed development" (p. 19).

2 The City Heights Draft EIS misstates the archaeological consultant's recommendations. The historic features should be avoided as the consultant recommended until the entire Cle Elum Mining District is documented and recorded and a mitigation plan is implemented. Or, the historic features can be made part of the permanent open space. It is unlawful to knowingly disturb archaeological sites under RCW 27.53.

If you have any comments or questions, do not hesitate to call David Powell of my staff at (509) 865-5121 ext. 6312.

Sincerely,

Philip Rigdon, Deputy Director
Natural Resources Division

cc: Gretchen Kaehler, DAHP
Chris Landreau, RLR

RESPONSE TO COMMENTS SUBMITTED BY THE CONFEDERATED TRIBES AND BANDS OF THE YAKAMA NATION

Response to Yakama Nation Comment #1: The EIS consultant used the term “cultural resources” to relate evidence (or in this case – lack of evidence found) of Native American use of the City Heights site. She used the term “historic resources” to relate findings of historical mining activities on the site. Paragraph 3 of the Affected Environment subsection of Draft EIS Chapter 3 Section 3.15 introduces the description of mining features found on the site as follows: “Two historic features were encountered and noted in the field as part of the City Heights inventory.” It is apparent from the Yakama Nation’s letter of comment that the term “cultural resources” is used by professional archaeologists to apply to both human habitation artifacts as well as remnants of historical activities. This nomenclature has been corrected in the Errata Sheet (Final EIS Chapter 3). There was no intention to misrepresent the findings reported in the *Archaeological Review and Inventory of the City Heights Development Project* (Reiss-Landreau, August 14, 2009). With the exception of this difference in understanding of terminology, the City feels that the findings of the technical report were accurately described in the Draft EIS. The archaeological consultant was consulted regarding this comment. See additional information provided in the response to comments submitted by the Washington State Department of Archaeology and Historic Preservation (following).

Response to Yakama Nation Comment #2: The archaeological consultant’s recommendations were clarified in personal communications between this consultant and the EIS consultant subsequent to the August 14, 2009 date of issue of the *Archaeological Review and Inventory of the City Heights Development Project*. These communications are cited in Draft EIS Chapter 3 Section 3.15 on pages 3.15-1 and 3.15-3.

The archaeological consultant prepared and submitted additional documentation (*Letter in Response to Log: 060310-05-KT*, Reiss-Landreau Research, July 11, 2010) to the Washington State Department of Archaeology and Historic Preservation (DAHP) since receipt of these comments.. See DAHP Comment #2 and the response to that comment on the pages that follow. The applicant does not propose and the City would not permit disturbance of known archaeological sites eligible for or listed on the Washington Heritage Register of the National Register of Historic Places without required mitigation in the form required (or not required, if not eligible for listing) by DAHP.



STATE OF WASHINGTON

DEPARTMENT OF ARCHAEOLOGY & HISTORIC PRESERVATION

1063 S. Capitol Way, Suite 106 • Olympia, Washington 98501
Mailing address: PO Box 48343 • Olympia, Washington 98504-8343
(360) 586-3065 • Fax Number (360) 586-3067 • Website: www.dahp.wa.gov

June 3, 2010

Mr. Matt Morton
Planning Commission Chair
City of Cle Elum
301 PENNSYLVANIA AVE
Cle Elum, WA 98922-1159

In future correspondence please refer to:

Log: 060310-05-KT

Property: *Archaeological Review and Inventory of the City Heights Development Project, Cle Elum, Kittitas County, Washington*

Re: **City Heights Draft Environmental Impact Statement (EIS) and Technical Reports**

Dear Mr. Morton:

1 Thank you for contacting the Washington State Department of Archaeology and Historic Preservation (DAHP). I received your email today. I understand that there was some confusion with the choice of terminology used by the archaeologist Chris Landreau and the consultant who prepared the EIS. However, the coal waste piles are cultural resources and are associated with Mine No. 5. Although these waste piles would not provide information important to history in and of themselves, they may be eligible as contributing elements to 45KT 2100, Mine No. 5 which is potentially eligible for the National Register of Historic Places (NRHP). In addition, 45KT1960, Mine No 7 is within the boundaries of the City Heights project. This site is also potentially eligible for the NRHP. In the report recommendations, Landreau (2009) recommended that the slag features, site number 45KT3054 were potentially contributory to the greater Cle Elum Mining District which has not been established or proposed as far as we are aware. Nevertheless, the coal waste piles are possible contributory elements to Mine No. 5 (45KT2100). There is also the question of 45KT1960 which is within the boundaries of the City Heights project.

2 Under RCW 27.53, historic archaeological resources are not protected by law unless they are listed in or eligible for listing in the Washington Heritage Register (WHR) or the National Register of Historic Places (NRHP). DAHP administers the WHR. The NRHP is maintained by the National Park Service, US Department of Interior. Under the National Historic Preservation Act, 1966, it is the State Historic Preservation Officer's (SHPO's) responsibility to identify eligible properties for listing in the National Register. In the State of Washington, the SHPO resides at DAHP and it is DAHP's responsibility to make the determination of eligibility when historical archaeologist sites are identified. Therefore the mitigation measures proposed by the County are not effective since cultural resources must be identified before they can be protected, avoided, mitigated through data recovery, or determined eligible or not eligible



DEPARTMENT OF ARCHAEOLOGY & HISTORIC PRESERVATION

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3

- The coal waste piles 45KT3054 will need further documentation that takes into consideration their eligibility as part of 45KT2100, Mine No. 5. This will also provide sufficient information to make an eligibility determination and define a mitigation plan if one is necessary. The pile should not be disturbed until the documentation takes place and DAHP makes an eligibility determination.

4

- Mine No. 7 is potentially eligible and the boundaries have not been determined. More archaeological work needs to be done to define the boundaries and provide sufficient information for DAHP to make an eligibility determination. If the site is determined eligible, a permit from this office will be required to disturb the site.

These comments have been submitted on behalf of the SHPO and are based on the information available at this time. If further information becomes available, the comments may be revised. Please feel to call or email me with any questions or clarifications.

Sincerely,



Gretchen Kaehler
Assistant State Archaeologist
(360) 586-3088
gretchen.kaehler@dahp.wa.gov

CC. Johnson Meninick, Yakama Nation
Phil Rigdon, Deputy Director, Natural Resources Division, Yakama Nation
Chris Landreau, RLR

**RESPONSE TO COMMENTS SUBMITTED BY THE WASHINGTON STATE DEPARTMENT OF
ARCHAEOLOGY AND HISTORIC PRESERVATION (DAHP)**

Response to DAHP Comment #1: DAHP comments regarding the correct terminology for describing the coal waste pile features on the City Heights site are acknowledged. This correction has been noted in the Errata Sheet (Final EIS Chapter 3).

Comments regarding the coal waste piles as possible “contributing elements” of Mine No. 5 and Mine No. 7 are also acknowledged.

Response to DAHP Comment #2: Thank you for the clarification regarding the eligibility and listing of sites by DAHP on the Washington Heritage Register (WHR) or the National Register of Historic Places (NRHP). The project archaeologist (Chris Landreau of Reiss-Landreau Research) prepared and submitted additional documentation to DAHP on July 11, 2010 for DAHP to make a determination of eligibility regarding potential listing of the two coal slag piles on the City Heights property associated with historic mining operations in and around this project area. In a letter of response to the City of Cle Elum dated September 10, 2010, DAHP reported their determination that these features are not eligible for listing on the NRHP and have been satisfactorily documented. The Reiss-Landreau document and DAHP letter of response are included on the following pages.

Response to DAHP Comment #3: See the response to DAHP Comment #2. A *Letter in Response to Log 060310-05-KT* was submitted to DAHP on July 11, 2010.

Response to DAHP Comment #4: See the response to DAHP Comment #2.



STATE OF WASHINGTON

DEPARTMENT OF ARCHAEOLOGY & HISTORIC PRESERVATION

1063 S. Capitol Way, Suite 106 • Olympia, Washington 98501
Mailing address: PO Box 48343 • Olympia, Washington 98504-8343
(360) 586-3065 • Fax Number (360) 586-3067 • Website: www.dahp.wa.gov

September 10, 2010

Mr. Matt Morton
Planning Commission Chair
City of Cle Elum
301 Pennsylvania Ave
Cle Elum, WA 98922-1159

In future correspondence please refer to:

Log: 060310-05-KT

Property: Archaeological Review and Inventory of the City Heights Development Project, Cle Elum, Kittitas County, Washington. Additional information

Re: 45KT1960 and 45KT3054 Determined not eligible as contributing elements for Mines No. 5 and No. 7

Dear Mr. Morton:

Thank you for contacting the Washington State Department of Archaeology and Historic Preservation (DAHP). We have reviewed the additional information provided by Reiss-Landreau Research (RLR) regarding mine tailing piles that area associated with historic mining operations in and around the City Heights project area. We have determined that the slag piles associated with the two mines as well as the road bed associated with Mine No. 7 and recorded as part of 45KT1960, are not eligible for the National Register of Historic Places. Since sites 45KT3054 and 45KT1960 are not eligible for listing in the NRHP and have already been satisfactorily documented, not further archaeological work or documentation is required.

Thanks you for providing additional information regarding these two sites. Please feel free to call or email me if you have any questions or need clarification.

Sincerely,

Gretchen Kaehler
Assistant State Archaeologist
(360) 586-3088
gretchen.kaehler@dahp.wa.gov

CC. Johnson Meninick, Yakama Nation
Phil Rigdon, Deputy Director, Natural Resources Division, Yakama Nation
Chris Landreau, RLR
Vicki Morris, Vicki Morris Consulting Services



DEPARTMENT OF ARCHAEOLOGY & HISTORIC PRESERVATION

Protect the Past. Shape the Future

Reiss-Landreau Research
Archaeology and Historic Preservation Consulting
PO Box 2215 Yakima WA. 98907 Phone/Fax (509) 952-5130, 498-9818
chrislandreau@charter.net

Gretchen Kaehler, Local Government Archaeologist
Office of Archaeology and Historic Preservation
1063 S. Capitol Way, Suite 106
P.O. Box 48343
Olympia, Washington 98504-8343

July 11, 2010

Letter in response to Log: 060310-05-KT

RE: Archaeological Review and Inventory of the City Heights Development Project, Cle Elum, Kittitas County, Washington

Reiss-Landreau Research was asked to discuss the potential eligibility of 45KT1960, and 45KT3054, as contributory to the national register status of either the No. 5 mine, or the No. 7 mine as a whole, or individually, as well as the No 7 mine location boundaries.

The two properties (45KT1960, and 45KT3054) in question are principally piles of industrial slag from the excavation and processing of coal. Large spoil piles from the Cle Elum mines are relatively common, although the 45KT1960 site from the No. 7 mine is moderately large, and isolated from other piles. 45KT1960 also has a small well- worn jeep trail leading away north of it that may have at one time been part of the rail dump system of the mines. The 45KT3054 site is a series of piles deposited from the No. 5 mine.

Both properties are singular features, and can be seen as **components** of the mines from which they were extracted. The features are not *of themselves* likely eligible to the National Register of Historic places, given that they do not meet any of the four eligibility criteria in isolation.

*a. that are **associated with events** that have made a significant contribution to the broad patterns of our history; or*

*b. that are **associated with the lives of persons** significant in our past; or*

*c. that **embody the distinctive characteristics** of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and*

Reiss-Landreau Research
Archaeology and Historic Preservation Consulting
1103 S. 32 Ave Yakima WA. 98902 Phone/Fax (509) 952-5130, 453-4145
chrislandreau@charter.net

*distinguishable entity whose components may lack individual distinction;
or*

*d. that have yielded, or may be likely to yield, information important in
prehistory or history.*

There is little question that both the No. 5 and No. 7 mines themselves are likely eligible to the national register of historic places, both for their local importance to the development of the Cle Elum community, for locally important personages, and for information that the mines may provide about mining techniques of that period. In other words they have potential under criteria a, b, and d.

However, the question for this project specifically, is; are these slag piles contributing components to the potential eligibility of either mine.

Are they functionally or contributionally unique? No. In terms of examples of slag piles, there are a significant number of piles north of 45KT1960, and 45KT3054, which will not be impacted by this project. Indeed, as they have been recorded to standard site forms and entered into the permanent archive of DAHP in Olympia, the details of their existence has been documented.

Do they provide information critical to our understanding of the mines, and in their absence would the mines be eligible to the national register: No, the mines themselves with all of their constructed components and associated material remains are potentially eligible, with or without some of the ubiquitous slag deposits.

In fact, we must argue that the slag piles, and the small (possible) road bed feature, are not contributory to the national register eligibility of either mine. The piles are not the result of careful human construction, but rather convenient dumping spots for post industrial detritus. Indeed, the mines themselves, both located away from the City Heights project, do not lose any of their potential eligibility through the loss of either slag pile.

Therefore, aside from the clear aesthetic improvement, our final recommendation is to allow the removal of the slag piles related to the mining of coal from the No. 5 and No. 7 mines in Cle Elum. They are not seen as significant contributing elements to the national register eligibility of either mine. To extrapolate from this point, if the features are not contributory to the National Register status of either mine, they must therefore be unlikely to contribute to a National Register Historic District, regardless of the differences in the criteria.

Reiss-Landreau Research
Archaeology and Historic Preservation Consulting
PO Box 2215 Yakima WA. 98907 Phone/Fax (509) 952-5130, 498-9818
chrislandreau@charter.net

Finally, Mine No. 7 is clearly listed as located north of the City Heights project area on topographic maps and aerial photography. Shafts from No. 5 and No. 7 have been documented to run under the entire city of Cle Elum, and are available on any number of salient mining surveys. However, those shafts that run deep below the surface are not going to be impacted by this project, and were not part of the original cultural inventory.

Thank you for your consideration,

Christopher Landreau
Principal Investigator
Reiss-Landreau Research



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

15 W Yakima Ave, Ste 200 • Yakima, WA 98902-3452 • (509) 575-2490

June 7, 2010

Matt Morton, Community Development Director
City of Cle Elum
119 W. First Street
Cle Elum, WA 98922-1159

Re: City Heights Planned Mixed-Use Development

Dear Mr. Morton:

Thank you for the opportunity to comment on the Draft Environmental Impact Statement for City Heights Planned Mixed-Use development. We have reviewed the documents and have the following comments.

① Air Quality

Department of Ecology would like to commend the project proponent for mitigation measures proposed thus far. The commitments to a nearly smoke-free project will go a long way toward sustainable development for a healthy future.

Why is this so important?

Fine particle pollution from smoke is hazardous to public health.

- Hundreds of national and international studies now show that exposure to fine particles can cause or exacerbate heart and lung diseases in susceptible populations that may result in death. The American Heart Association recently stated that both short- and long-term exposures to fine particles “can trigger cardiovascular disease-related mortality and non-fatal events,” including heart attacks, heart failure, arrhythmias, and strokes.



- Ecology's own study on the health effects of fine particle pollution in Washington estimates that 1,100 people die each year from exposure to particulate matter, and that the health care and societal costs of exposure-related disease approach \$200 million per year. (As a comparison, the Washington Traffic Safety Commission reported 521 traffic-related fatalities in Washington in 2008.)
- Smoke from outdoor fires can directly impact local populations, but can also travel long distances and adversely impact public health in communities downwind. Pollution from wood stoves is a significant contributor to high levels of fine particle pollution in Washington communities, especially in winter.
- During stagnant air and inversion periods, these and other pollutants can be trapped close to the ground for several days, gradually increasing both the base and peak levels of pollution – and exposing citizens to increasingly dangerous levels of pollution.

The Environmental Protection Agency is expected to toughen its fine particle pollution standard in late 2011.

- A reduced 24-hour fine particle standard could place additional Washington communities at risk of violation.
- Dirty air status carries negative economic consequences, including tougher, more expensive permit conditions for new and expanding businesses that can limit growth and overall community vitality.
- Controlling smoke from woodstoves and outdoor burning is essential to reduce fine particle health risk and keep communities in compliance with federal air quality standards.

In this regard, with respect to smoke impacts, it is our understanding that there will be:

- no outdoor burning of any kind during the construction phase
- no outdoor burning of any kind in the developed-condition
- no residential wood-burning appliances allowed in this project.

2 In addition, Ecology would like to urge additional caution in working in and around the historic coal mining areas.

- Dust that originates from these areas can be particularly toxic.
- Contractor bid specs, expectations, and associated funding should address this concern with the utmost seriousness and implementation should be carried out with competence.
- Recommended mitigation measures such as those described on page 3.2-9 should be made enforceable requirements, and not left standing as mere recommendations.

If you have any questions concerning the Air Quality comments, please contact Susan Billings at (509) 575-2486.

3

Water Quality – Construction Stormwater

Project Greater-Than 1 Acre with Potential to Discharge Off-Site

The size of this development indicates an Individual Stormwater Construction Permit may be required. This will take longer than the minimum 45 days.

An NPDES Construction Stormwater General Permit from the Washington State Department of Ecology is required if there is a potential for stormwater discharge from a construction site with more than one acre of disturbed ground. This permit requires that the SEPA checklist fully disclose anticipated activities including building, road construction and utility placements. Obtaining a permit is a minimum of a 45 day process and may take up to 60 days if the original SEPA does not disclose all proposed activities.

The permit requires that Stormwater Pollution Prevention Plan (Erosion Sediment Control Plan) is prepared and implemented for all permitted construction sites. These control measures must be able to prevent soil from being carried into surface water (this includes storm drains) by stormwater runoff. Permit coverage and erosion control measures must be in place prior to any clearing, grading or construction.

More information on the stormwater program may be found on Ecology's stormwater website at: <http://www.ecy.wa.gov/programs/wq/stormwater/construction/>. Please

submit an application or contact Lynda Jamison at the Dept. of Ecology, (509) 575-2434, with questions about this permit.

4

Water Resources

This project is located in the upper Kittitas County as defined by the Upper Kittitas Emergency Ground Water Rule Chapter 173-539A.

Any new uses of groundwater in upper Kittitas County will need to be either a permitted use authorized by the Department of Ecology (Ecology) or water budget neutral as determined by Ecology. Unless a building permit was granted and vested prior to July 16, 2006, a prospective water user shall first submit to Ecology a request for determination that the proposed use would be water budget neutral.

New groundwater pumping is allowed under the extended rule when the new use is fully mitigated. Mitigation can generally be achieved by acquiring and transferring or retiring another existing water right from the same water source to offset a new use. Please refer to WAC 173-539A, the Upper Kittitas Emergency Ground Water Rule for additional information.

In Washington State, prospective water users must obtain authorization from the Department of Ecology before diverting surface water or withdrawing ground water, with one exception. Ground water withdrawals of up to 5,000 gallons per day used for single or group domestic supply, industrial purposes, stock watering or for the irrigation of up to one-half acre of lawn and garden are exempt from the permitting process. Water use under the RCW 90.44.050 exemption establishes a water right that is subject to the same privileges, restrictions, laws and regulations as a water right permit or certificate obtained directly from Ecology.

On March 28, 2002 the Washington State Supreme Court ruled that the RCW 90.44.050 permit exemption does not apply where a developer of a residential subdivision proposes multiple wells to serve each lot in the development because in combination, the withdrawal will exceed the exemption criteria.

5 In Section 3.3 Water Resources of the Draft EIS, there is a discussion using “individual water right permit-exempt wells” as an alternative for providing potable water to the development or a portion of. There is also a discussion of achieving “water-budget-neutral use of groundwater wells” for this project. This project proposes the development of a minimum of 875 dwelling units. This will obviously exceed the use of a groundwater exemption of 5,000 gallons per day and therefore, the use of individual water right permit-exempt wells or water budget neutral use of groundwater wells would be an inappropriate use of the groundwater exemption.

6 This project requires water rights. Listed below are some of the options available to provide water to this project:

- **Water provided by the city.** The Draft EIS discusses the possibility of being annexed and served by the City of Cle Elum. The City of Cle Elum will be responsible for ensuring the proposed use(s) are within the limitations of its water rights. If the proposal’s actions are different than the existing water right (source, purpose, the place of use, or period of use), then it is subject to approval from the Department of Ecology (DOE) pursuant to Sections 90.03.380 RCW and 90.44.100 RCW.
- **Obtain valid water rights to serve the project.** Again, if the proposal’s actions are different than water rights obtained to serve the project they are subject to approval from DOE as stated above.
- **Apply for a new water right.** A new water right may be authorized contingent upon, but not limited to, providing adequate mitigation water.
- **Any combination of the above.**

Ecology received a water right application from Green Canyon LLC, Cooper Pass LLC, and Highmark Resources LLC (City Heights) on June 5, 2009. Ecology is currently in the process of reviewing this application. This application was assigned identifier number G4-35245.

The Department of Ecology encourages the development of public water supply systems, whether publicly or privately owned, to provide water to regional areas and developments.

7 The Draft EIS discusses wells on the project site, some well locations are known and others are unknown. The proponent is responsible for inspecting the site to determine the location of all existing wells. Any unused wells must be properly abandoned and

abandonment reports submitted to DOE as described in WAC 173-160-381. This includes resource protection wells and any dewatering wells installed during the construction phase of the project.

All water wells constructed shall be in accordance with the provisions of Chapter 173-160 WAC by a driller licensed in the State of Washington. A well report must be submitted to the Department of Ecology within 30 days after completion of a well.

If you have any questions concerning the Water Resources comments, please contact Brean Zimmerman at (509) 454-7647.

8 **Shorelands/Environmental Assistance**

In order to evaluate both direct and indirect impacts to streams and wetlands, more details are necessary regarding hydrologic regime of the site and proposed placement of infrastructure. Placement of trail systems, stormwater systems, utilities, snow removal areas, staging areas, and all fill and excavation areas, etc. should be shown on a large base map. The base map would ideally show proposed lot lines, open space, wetlands/streams and their proposed buffers.

9 Larger wetland buffers (than those required by either the Cle Elum City Critical Area Ordinance or the Kittitas County Critical Area Ordinance) may be needed to protect wildlife functions, based on Best Available Science as cited in Ecology Guidance on Wetland Mitigation ("Wetland Mitigation in Washington State Parts 1 and 2" publication number 06-06-01 1a and b). Protection for wildlife from impacts from residential development that is more dense than 1 unit per acre generally requires greater buffer sizes. Table 7 in section 6.6.1.1. in Ecology's document provides a list of mitigation measures that can be taken to reduce impacts from high-intensity developments. Ecology recommends that these items be included in any development agreement between the City/County and the applicant. A copy of this table is provided as an attachment to this letter.

10 Offsite wetlands which could be affected by the proposal should be described and protected. Small wetlands should also be afforded protection and mitigation for lost functions.

Mr. Morton
June 7, 2010
Page 7

11

All impacts to wetlands (including those off-property affected by access road construction) should be evaluated and mitigated. If a 404 water quality permit is needed through the Army Corps of Engineers, a 401 water quality certification review will be conducted by Ecology. This review will encompass all water quality impacts for the entire project, including those impacts in uplands which could potentially impact site water quality. If a 404 review is not required by the Corps of Engineers, Ecology can use an administrative Order to authorize impacts to "isolated" wetlands under 90.49 RCW.

If you have any questions concerning the Shorelands/Environmental Assistance comments, please contact Catherine Reed at (509) 575-2616.

Sincerely,



Gwen Clear
Environmental Review Coordinator
Central Regional Office
(509) 575-2012

Enclosure

Table 7. Measures to minimize high-impact land use on wetlands³⁰.

Examples of Disturbance	Activities and Uses that Cause Disturbances	Examples of Measures to Minimize Impacts
Lights	<ul style="list-style-type: none"> • Parking lots • Warehouses • Manufacturing • Residential 	<ul style="list-style-type: none"> • Direct lights away from wetland
Noise	<ul style="list-style-type: none"> • Manufacturing • Residential 	<ul style="list-style-type: none"> • Locate activity that generates noise away from wetland
Toxic runoff*	<ul style="list-style-type: none"> • Parking lots • Roads • Manufacturing • Residential areas • Application of agricultural pesticides • Landscaping 	<ul style="list-style-type: none"> • Route all new, untreated runoff away from wetland while ensuring wetland is not dewatered • Establish covenants limiting use of pesticides within 150 ft of wetland • Apply integrated pest management
Stormwater runoff	<ul style="list-style-type: none"> • Parking lots • Roads • Manufacturing • Residential areas • Commercial • Landscaping 	<ul style="list-style-type: none"> • Retrofit stormwater detention and treatment for roads and existing adjacent development • Prevent channelized flow from lawns that directly enters the buffer
Change in water regime	<ul style="list-style-type: none"> • Impermeable surfaces • Lawns • Tilling 	<ul style="list-style-type: none"> • Infiltrate or treat, detain, and disperse into buffer new runoff from impervious surfaces and new lawns
Pets and human disturbance	<ul style="list-style-type: none"> • Residential areas 	<ul style="list-style-type: none"> • Use privacy fencing; plant dense vegetation appropriate for the ecoregion to delineate buffer edge and to discourage disturbance; place wetland and its buffer in a separate land ownership tract
Dust	<ul style="list-style-type: none"> • Tilled fields 	<ul style="list-style-type: none"> • Use <i>best management practices</i> to control dust
* These examples are not necessarily adequate for minimizing toxic runoff if threatened or endangered species are present at the site.		

³⁰ This is not a complete list of measures. Other measures may be proposed by an applicant or be determined to be relevant to a specific site.

RESPONSE TO COMMENTS SUBMITTED BY THE WASHINGTON DEPARTMENT OF ECOLOGY

Response to Ecology Comment #1: Ecology's comments regarding Air Quality and the applicant's proposed measures to avoid outdoor burning and residential wood burning are acknowledged.

Response to Ecology Comment #2: Standards of care will be followed when working in and around abandoned coal mine workings, as described in Draft EIS Chapter 3 Sections 3.1.4 and 3.1.5.

Response to Ecology Comment #3: Ecology's comments regarding construction are acknowledged. The requirement for one or more NPDES Construction Stormwater Permits is noted in the Draft EIS in the Fact Sheet (page v), in Chapter 2: Description of the Proposal and Alternatives (page 2-17), and in Chapter 3: Utilities: Stormwater Management (page 3.18-32). Please note that an EIS was prepared – not a SEPA Checklist – to address the potential impacts of the City Heights development; proposed, required and other possible mitigation measures. The proposal to prepare Stormwater Pollution Prevention Plans is also noted on Draft EIS pages 2-17 and 3.18-32, in sections that provide thorough descriptions of the Stormwater Management proposal during construction and in the developed-condition of the site.

Response to Ecology Comment #4: Ecology's comments regarding Water Resources are acknowledged. These issues and the City Heights water resources proposal are thoroughly discussed in Draft EIS Chapter 2 – Description of the Proposal and Alternatives (Section 2.9.2, pages 2-20 through 2-23); Chapter 3 Section 3.3 – Water Resources; at various locations in Chapter 3 Section 3.7 – Relationship to Plans and Policies; and in Chapter 3 Section 3.18.1 – Utilities: Water Service.

Response to Ecology Comment #5: The Section 3.3 discussion of possible use of individual water right permit-exempt wells relates to alternatives within the County, rather than the proposal to develop water resources following annexation of the City Heights property to the City. In particular, permit-exempt wells are discussed in the Draft EIS as a possible option for Alternative 3B: No Annexation, Development within the County under Multiple Ownerships. This alternative has the lowest density and the most uncertainty, as it would not be controlled by one applicant. For this reason, permit-exempt wells may be an option under this alternative, subject to all applicable regulations, including Ecology's current requirement to demonstrate a water budget neutral effect. If this alternative were selected for implementation (and it is considered the least likely to be selected), additional work may need to be done to confirm the water supply proposal.

Response to Ecology Comment #6: Ecology's water right requirements are acknowledged. The water right application noted in this comment is the water right proposed to serve the City Height development. Thorough discussions of the water right proposal and the work done by the applicant to comply with Ecology's requirements is provided Draft EIS Chapter 2 Section 2.9.2, and Chapter 3 Sections 3.3 and 3.18.1.

Response to Ecology Comment #7: Ecology's comments with regard to existing and proposed wells on the City Heights site are acknowledged and will be complied with.

Response to Ecology Comment #8: Four conceptual land use plans were evaluated as the Draft EIS alternatives (see Chapter 2, Section 2.6). The actual site plan to be developed on the City Heights site has not yet been confirmed or designed to the level of detail requested in this comment. When the actual proposed site plan has been prepared, it will be used when the permitting process begins to more specifically evaluate and quantify potential impacts to wetlands and streams. The wetland delineation and stream survey prepared for the site, as well as additional baseline assessment information to be collected

regarding surface drainage problems and groundwater seepage downstream from the City Heights property, will be taken into consideration when identifying where proposed development features could impact the hydrologic system.

Response to Ecology Comment #9: The City acknowledges receipt of Table 7 from the document *Wetland Mitigation in Washington State – Part 1, Version 1* (page 89), and will take these measures under advisement when writing mitigation conditions to be included in the Development Agreement for City Heights. Most of these measures are identified under proposed, required, or other possible mitigation measures in the Light and Glare, Noise, Utilities: Stormwater Management, Wetlands and Streams, Wildlife and Habitat, and Air Quality sections of the Draft EIS.

Response to Ecology Comment #10: Off-site areas adjacent to the City Heights property were reviewed by the wetlands consultant (Ed Sewall, Sewall Wetland Consulting, Inc.) within a distance of 100 feet or, where visible from the site or public roads, out a distance of several hundred feet. The only other wetlands in the vicinity of the site are a wetland located upslope to the north and off-site from Wetland E/EE , and a small area of wetland along Crystal Creek south of the site and on the opposite side of the Coal Mines Trail (see Draft EIS Figure 3.4-2). The northerly off-site wetland is located several hundred feet away from the north edge of the property (north of the power line corridor), along the Stream D corridor. This wetland is buffered from the City Heights property by forested area. It is also located above the drainage of the site and as such, would not be affected by the City Heights development as the subject property is located lower than the wetland. The southerly off-site wetland is a small area of scrub-shrub and forested wetland located approximately 100 feet south of the site along the south side of Crystal Creek. This area is roughly due south of Wetland G and separated from the City Heights property by the Coal Mines Trail. No impacts to this wetland are anticipated as its drainage is separated from the site by the trail in this area. Other than small areas of impact for road construction described in Draft EIS Chapter 3 Section 3.4, the proposal includes preserving and protecting all wetlands on the property. A mitigation plan will be prepared and implemented to compensate for lost wetland area and wetland functions in areas o f impact.

Response to Ecology Comment #11: The possible requirement a Section 404 water quality permit from the U.S. Army Corps of Engineers and associated Section 401 water quality certification from Ecology are noted in the Draft EIS Fact Sheet (page v). The possible permit requirements and RCW 90.49 Administrative Order authority have been added to the Final EIS Fact Sheet, and to Draft EIS Section 3.4 by means of the Errata Sheet (Final EIS Chapter 3).



State of Washington

Department of Fish and Wildlife

*South Central Region - Ellensburg District Office, 201 North Pearl, Ellensburg, WA 98926
Phone: (509) 962-3421. Fax (509) 925-4702*

June 4, 2010

Mr. Matt Morton
Community Development Director
City of Cle Elum
119 W. First Street
Cle Elum, WA 98922-1159

RE: City Heights Draft Environmental Impact Statement

Thank you for the opportunity to provide these comments to the draft City Heights proposal. Additional comments will follow as the proposal progresses.

① **Water**

The City of Cle Elum has water rights in excess of their current needs and use. It is proposed that unused portions of their rights be applied to the new development in their expanded urban growth area, namely, City Heights. That unused water has up to this time contributed to in-stream flows in the Yakima River Basin. Exercise of that right is not exempt from analysis. The impacts of these new withdrawals on flow as well as the consumptive portion of the use should be analyzed.

Information is needed that quantifies the municipal or other water rights that exist to service Cle Elum, South Cle Elum, Suncadia and the City Heights development. Because of the interconnected nature of the water supply, delivery and treatment system, more information is needed. What is the combined quantity available? How much is being used currently from each right? From which right(s) will the water come to service City Heights? What is the current level of water use and what will the use be when City Heights is fully developed?

② **Spread of Development**

Induced development is a concern when infrastructure is extended to a new location. We have

concerns with future development extending beyond the proposed envelope associated with the City Heights proposal. What measures are in place or are proposed that would prevent development from continuing to march outward from this proposal? The Cle Elum Property Partners LLC and the Central Cascaded Land Company Inc. property border or are adjacent to the City Heights proposal. Their development appears tied to City Heights. Beyond those properties mentioned, what measures prevent development on other adjoining areas utilizing infrastructure that will be developed as part of the City Heights development?

3

Urban Interface

As development expands into forestland, catastrophic fire and forest health are significant causes for concern. The impacts of these issues extend beyond the boundaries of the proposal. Fire travels from the developed area to the forestlands or from the forestlands to the developed areas. Doing forestry in a residential setting is extremely problematic with so many individual landowners with different ideas regarding their individual parcels. Controlling disease outbreaks or fire within or onto adjoining property should be addressed comprehensively in the FEIS.

4

Wildlife Conflicts

Placing homes in formerly undeveloped forested areas brings residents in close proximity to wildlife. Large animals (deer, elk, bear and mountain lion) or other wildlife that could exist without conflicts can now cause problems in a residential setting. Responding to these issues is logistically and financially burdensome to WDFW. Measures to prevent conflicts and/or hold the agency harmless for the problems created by this proposal should be fully addressed in the FEIS.

5

Open Space

Open space should be useful and permeable to wildlife so that wildlife can utilize it and travel through it. The character of the open space should be fully detailed. Will it be lawns or native vegetation? The plan for open space should be detailed. How it will be protected and maintained through time?

6

Storm Water

WDFW strongly discourages the use of stream corridors and riparian buffers for stormwater treatment and detention facilities. Capture or failure of these facilities can directly deliver to streams and habitat in lost or is perpetually disturbed through maintenance measures.

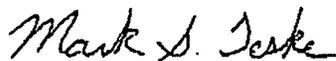
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Mitigation for Lost Habitat

Significant unavoidable adverse impact figures of 195 to 205 acres of wildlife habitat are cited at the bottom of page 3.5-12. Wildlife habitat is lost through time by individual actions. Cumulatively, these individual actions degrade the natural environment at a significant scale and the carrying capacity of the area is reduced. Our natural heritage is diminished. While it may be beyond the means of an individual lot owner to mitigate the impacts of developing their home site, the significant expansion of an urban growth area is a reasonable opportunity to address these effects. Additionally, the acreage figures do not address the cultural carrying capacity changes that take place. Many species are unwelcome in an urban setting. Calling something habitat or open space does not necessarily mean it will be occupied or utilized by all the species that formerly occupied the area or were native to the area.

Thank you for the opportunity to provide these comments. If you have any questions regarding these comments, please feel free to contact me. I can be reached at (509) 962-3421.

Sincerely,



Mark S. Teske
WDFW Habitat

cc: Perry Harvester, WDFW Region 3 Habitat Program Manager

RESPONSE TO COMMENTS SUBMITTED BY THE WASHINGTON DEPARTMENT OF FISH AND WILDLIFE

Response to WDFW Comment #1: The Washington Department of Ecology is the agency responsible for administering water rights in the State of Washington, and for determining the impact analysis and mitigation commitments required. The City Heights applicant had been engaged in Ecology’s water right process for two years at the time of this writing for a transfer to serve the majority of the development. There is no known policy or regulation that requires the City to reanalyze its water right to allocate available supply to development within the incorporated area.

Response to WDFW Comment #2: The cumulative impact analysis is provided in Draft EIS Chapter 1 Section 1.5 (Chapter 1, pages 1-52 through 1-54), and in Final EIS Section 1.6. This section was prepared in accordance with the requirements of the SEPA Guidelines, as cited therein. The City Heights property and Cle Elum Pines property (28.44 acres) are within the City of Cle Elum Urban Growth Area (UGA), and as such are anticipated to develop at urban levels within the current 20-year planning period (2005–2025). The Draft EIS acknowledges that development to the north (Cle Elum Property Partners) may be facilitated by improved access and the extension of City utilities and services through the City Heights site; however, this property is not presently within the UGA or within the City limits, and thus would require land use considerations and environmental review before development could be approved on that property. The Central Cascades Land Company property (an industrial site) is not contiguous with City Heights and therefore is not perceived to be facilitated by this development.

Development of the Cle Elum Property Partners and Central Cascades Land Company properties is not “tied to City Heights” except to the extent that if the City Heights site is annexed to Cle Elum, it would create a contiguous boundary with the City limits for the Cle Elum Property Partners land to the north, enabling that owner to apply for annexation if they choose. The City Heights property is not contiguous with the Central Cascades Land Company site, and thus would not enable annexation of that property.

The City of Cle Elum is responsible under the Washington State Growth Management Act for planning for future growth (see Draft EIS Chapter 3 Sections 3.7.1, 3.10 and 3.11). As such, it is not the City’s purpose to “prevent development on other adjoining areas utilizing infrastructure that will be developed as part of the City Heights development.”

Response to WDFW Comment #3: The potential for an increase in wildland fires is addressed in Draft EIS Chapter 3 Section 3.17.2 (pages 3.17.2-10 and -12). The issue was discussed with Chief Dave Campbell of the Cle Elum Fire Department, and with Ray Risdon (Administrative Chief) and Russ Hobbs (District Chief) of Kittitas County Fire Protection District #7 during Draft EIS preparation. This issue is addressed in Section 3.17.2 of the Draft EIS (pages 3.17.2-10 and 3.17.2-12). With the urban level of development proposed on the site under Alternative 1, 2, or 3A, it is not anticipated that individual property owners will engage in forestry practices on their lots in the completed condition of the development. If Alternative 3B is selected (No Annexation: Development within the County under Multiple Ownerships), this may be a consideration for the County to address.

The City has requested that a Vegetation Management Plan be prepared to address the health and safety of trees that will remain on the site following development.

Response to WDFW Comment #4: Potential conflicts between large animals and residents of the City Heights development are disclosed in Draft EIS Chapter 3 Section 3.5, along with possible mitigation measures to minimize or avoid these potential conflicts. The fact that WDFW discourages situations that

would require commitment of resources and/or enforcement by WDFW personnel is specifically noted on page 3.5-12, based on the WDFW letter of comment received during the Scoping process for this EIS.

Response to WDFW Comment #5: Details of the open space proposal for the project had not yet been developed at the time the conceptual land use alternatives were evaluated in the Environmental Impact Statement.

Habitat conservation areas are defined in the City of Cle Elum Municipal Code (CEMC) Critical Areas Code as riparian corridors, habitats of local importance, and habitats associated with protected species (CEMC 18.01.030). Of these, only riparian corridors occur on the City Heights property. The proposal includes retaining these areas in the Alternative 1, 2 or 3A conceptual land use plans. Habitat areas to be retained on the site (wetlands, streams, buffers, and open space corridors) will provide links to the large forested area to the north that includes more than 1,000,000 acres of commercial forest and wilderness. The proposal to retain open space corridors and connections through the development to off-site habitat areas would partially off-set habitat fragmentation that would result from site development. This would retain shelter and sources of food for small mammals and birds, but could have the undesirable effect of also maintaining corridors for large mammals and predators to move through the site (Draft EIS Section 3.5, page 3.5-10 and -11).

Response to WDFW Comment #6: WDFW comments discouraging use of stream corridors and riparian buffers for stormwater treatment and detention facilities are acknowledged. The stormwater management system to be installed on the City Heights property during construction and in the developed condition will comply with Ecology's *Stormwater Management Manual for Eastern Washington*, as discussed in Draft EIS Chapter 2 Section 2.9.1 (pages 2-16 through 2-20).

Response to WDFW Comment #7: The impacts described in WDFW Comment #7 are acknowledged and are disclosed in Draft EIS Section 3.5. The proposal includes retaining the highest-value habitat areas on the property: wetlands, streams and their buffers. The Draft EIS discloses that there will be a reduction in the number and diversity of wildlife species and overall carrying capacity of the site. The EIS concludes, however, that the project will not have a significant unavoidable adverse impact to this element of the environment, and the mitigation measures proposed will further ameliorate those impacts. Also see paragraph 3 of the response to WDFW Comment #2, above.



**Washington State
Department of Transportation**
Paula J. Hammond
Secretary of Transportation

South Central Region
2809 Rudkin Road, Union Gap
P.O. Box 12560
Yakima, WA 98909-2560

(509) 577-1800
TTY: 1-800-833-6388
www.wsdot.wa.gov

June 7, 2010

Cle Elum City Hall
115 West First Street
Cle Elum, WA 98922

Attention: Matt Morton, Community Development Director

Subject: City Heights Draft Environmental Impact Statement

We have reviewed the draft Environmental Impact Statement (DEIS) for the proposed project and have the following comments.

① There are four alternatives identified in the DEIS. The preferred alternative (1) and alternative (2) are both based on the annexation into the City of Cle Elum within the City urban growth boundaries. The preferred alternative identifies 985 dwelling units of which about 70% are single family detached homes and the remaining 30% to be condominiums/apartments etc. Additionally, alternative one contains two 10,000 square feet commercial/professional office use.

All alternatives identify transportation impacts to the following five intersections on SR 903. From east to west, these include the SR903 Spur, Columbia, Montgomery, Ranger Station Road, and Alliance Road. The intersections of Columbia, Montgomery and Ranger Station Road are within the corporate limits of the City, while the SR903 Spur and Alliance Road intersections are within Kittitas County.

All intersections today operate within the acceptable level of service requirement of "C" or better. The DEIS suggests that the City LOS threshold is "D." It is important to note that the WSDOT standard is LOS C for all of SR903, within or outside the corporate limits of Cle Elum.

② Pages 1-30 through 1-34 (Transportation System) contain a number of points that WSDOT does not agree with.

- Throughout this section, the document addresses "proportionate-share mitigation" yet the project impacts degrade the existing acceptable LOS to below WSDOT standards. The proportionate share concept has been one which WSDOT has encouraged the local agency's to adopt. It is our understanding that no funds have been collected from previous developments to be contributed to the future intersection or transportation improvements. Once the LOS threshold is crossed, it is the proponent's responsibility to fund the entire improvement.
- Page 1-30 suggests that the project impacts to be negotiated are for the PM peak hour only. While this typically is true, it is oversight to suggest PM peak only. SR903 at Alliance is an example where the AM peak may create greater impacts due to the school zone. Both AM and PM should be evaluated.
- Page 1-31 references signalized intersections within the City that today are stop or yield controlled. It assumes that these intersections will be signalized by others?

③

④

- 5 • Page 1-31 references the WSDOT Route Development Plan for SR970. This is a planning document only, designed to make informed decisions on future needs. There is no construction funding associated with identified locations. Further, WSDOT has no short term or mid term project proposed at the SR903/SR903 Spur intersection. This intersection operates at an acceptable LOS today and is the proponent's responsibility to mitigate their impacts to this intersection as it falls below the accepted threshold.
- 6 • Also on page 1-31 it appears that a case is made at the Cle Elum Pines and Alliance Road intersections on SR903 that unless a traffic signal is warranted, no mitigation is recommended "because the project traffic would not affect the main flow of traffic on SR903." That position is incorrect. Later on page 1-32, it is suggested that City Heights traffic at full build-out is not expected to increase the number of traffic incidents. We request to see the justification and/or support data for these two points.
- 7

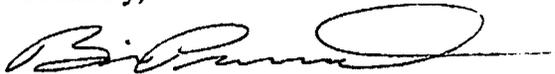
8 WSDOT does agree that "compliance with WSDOT standards would be required for intersection improvements to SR 903 or any other State routes" as indicated on page 1-32.

9 In summary, SR903 within the corporate limits of Cle Elum is a managed access highway within City's jurisdiction per RCW 47.24. However, improvements to SR903, whether in the form of additional lanes or channelization, or forms of traffic control do require WSDOT review and approval. Those segments of SR903 which are within the County, are within the jurisdiction of WSDOT. The DEIS makes repeated references to the City Transportation plan which includes an enhanced traffic network that is within the County, but as yet, are not constructed. To serve this North Hills area, the Cle Elum Transportation Plan 2009 (Draft) proposes a new east-west collector road (North Hills Road) which will run from White Road to SR 903, then to Bullfrog Road. Additionally, Columbia Avenue and Montgomery Avenue will be extended to North Hills Road. Oaks Avenue and Stafford Avenue will also be improved to serve this area. WSDOT fully supports these concepts and encourage the City to implement these improvements.

Prior to a determination of the adequacy of this DEIS, WSDOT encourages the City to arrange a meeting to discuss the project transportation impacts with the County and WSDOT.

Thank you for the opportunity to review and comment on this proposal. If you have any questions regarding our comments, please contact Rick Holmstrom at (509) 577-1633.

Sincerely,



Bill Preston, P.E.
Regional Materials and Planning Engineer

BP: rh

cc: File #1, SR 903
Terry Kukes, Area 1 Maintenance Superintendent
Jan Ollivier, Kittitas County
Rick Gifford, Region Traffic Engineer

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RESPONSE TO COMMENTS SUBMITTED BY THE WASHINGTON DEPARTMENT OF TRANSPORTATION

Response to WSDOT Comment #1: Recitation of the alternatives evaluated in the Draft EIS and of WSDOT intersections (currently operating at LOS C or better) that would be affected by project traffic is acknowledged. It is also acknowledged that the WSDOT Level of Service (LOS) standard for intersections is LOS C, whether or not the intersection is within the City limits. The Draft EIS (Chapter 2 at pages 2-37 and 3.16-12) reported that as of January 2010, the City of Cle Elum uses Level of Service D as its standard for acceptable intersection operations. The City has not yet formally taken action to adopt a Level of Service standard, and is unlikely to do so before this Final EIS is issued. This clarification is made in the Errata Sheet (Final EIS Chapter 3). Also see the response to WSDOT Comment #8 below.

Response to WSDOT Comment #2: Traffic analysis performed for the Draft EIS assumed substantial background growth from other projects that could be developed in the study area through the year 2022. This included both permitted and speculative developments. Overall, traffic from the growth of approximately 2,000 residential units plus about 860,000 sf of industrial/commercial space was included in the future traffic volume forecasts. At the time of the Draft EIS, the forecast methodology was consistent with the City of Cle Elum *Draft Transportation Plan* (May 2009). The mitigation needs were evaluated based on this worst-case growth assumption. Table 2.1-1 (below) summarizes the division of traffic volumes assumed for each intersection: existing volumes, trip increases associated with growth for future projects (not including City Heights), and City Heights trips for Alternatives 1 and 2. It is noted that the access option differed between Alternative 1 and Alternative 2. This table shows that at several locations the background growth associated with other projects far exceeded to number of trips generated by the City Heights project.

Table 2.1-1. PM peak hour traffic volumes assumed in City Heights Draft EIS at select intersections.

Intersection	Total PM Peak Hour Trips Entering Intersection					
	Existing	Future Background Growth	City Heights Trips		Total Volume	
			Alt 1 ^a	Alt 2 ^b	with City Hts Alt 1	with City Hts Alt 2
N Stafford Ave/W 2nd St (SR 903)	750	372	461	432	1,583	1,554
Oakes Avenue/ W 2nd Street	480	297	346	465	1,123	1,242
S Cle Elum Wy/W 1st Street/Stafford Ave	1,141	396	135	134	1,672	1,671
Oakes Ave/W 1st St	1,167	452	49	174	1,668	1,793
Columbia Ave/E 1st St	566	499	261	168	1,326	1,233
SR 903/SR 907	447	606	262	167	1,315	1,220
W Cemetery Rd/W 1st Street	861	420	148	185	1,429	1,466

The City of Cle Elum is in the process of updating its growth forecasts for the final Transportation Plan, which will likely have fewer units and less commercial space developed by the year 2030. However, the new growth forecasts were not yet available.

To show how the background growth assumptions resulted in the need for many of the mitigation measures recommended in the Draft EIS, new analysis was performed assuming a year 2022 forecast with lower growth. For this analysis, a simple 3 percent per year growth rate on existing volumes was assumed (overall compounded growth for 13 years of 47 percent). Then the City Heights traffic for Alternative 1 was added to that traffic. No changes in existing traffic control were assumed. Table 2.1-2 below summarizes the results for key intersections where improvements were recommended for the prior analysis.

Table 2.1-2. PM peak hour level of service summary for select intersections – future year 2022 conditions assuming only 3 percent per year growth in background traffic.

	Year 2022 Future Conditions w/ 3% Background Growth Only (w/o City Heights)		Year 2022 Future Conditions with City Heights	
	LOS	Delay	LOS	Delay
Unsignalized Intersections³				
W Cemetery Road/W 1st Street				
Northbound Left-turn	F	74.0	F	>200
Southbound Approach	F	135.7	F	>400
Columbia Avenue/E 1st Street				
Northbound Approach	C	15.3	C	21.4
Southbound Approach	C	17.2	E	39.6
SR 903/SR 970				
Northbound Approach	B	13.1	C	18.6
Stafford Avenue/W 2nd Street (SR 903)				
Northbound Left-turn	F	76.7	F	>300
Southbound Approach	C	18.8	F	134.5
Oakes Avenue/W 2nd Street (SR 903)				
Northbound Left-turn	C	16.5	E	37.0
Southbound Approach	B	13.8	C	20.1
Alliance Road/SR 903⁴				
Northbound Left-turn	C	23.1	D	30.7
Southbound Left-turn	C	23.1	D	32.6

Source: Heffron Transportation, July 2010.

1 LOS = Level of service.

2 Delay = Average seconds of delay per vehicle.

3 Level of service and delay reported for worst operating movement/approach at unsignalized intersection.

4 LOS assumes site would take access via Alliance Road.

Two of the intersections – W Cemetery Road/W 1st Street and Stafford Avenue/W 2nd Street (SR 903) – would operate at LOS F conditions with more modest growth than had been assumed in the Draft EIS. These two locations would require improvement with or without the proposed City Heights project. Therefore, contributing to a proportionate share of a solution is a reasonable mitigation approach. Two of the intersections would have left turn movements that would operate at LOS E – the northbound left turn from Oakes Avenue to W 2nd Street and the southbound left turn from Columbia Avenue to E 1st Street. With this more modest growth, both of those movements would be improved to LOS C if a two-way left turn lane were striped on the major street. This would allow turns from a stop-sign to make a two-stage left turn. No signals would be needed. The intersection of SR 903/SR 907 would operate at LOS C with modest background growth and the addition of City Heights traffic, and no improvement would be

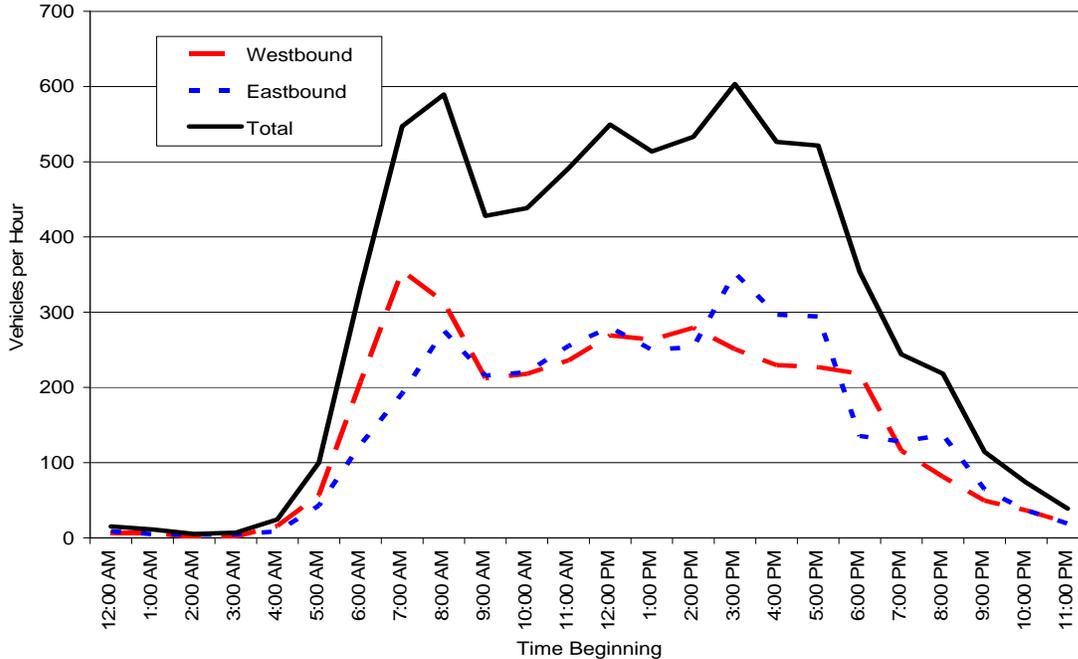
needed. The intersection of Alliance Road/SR 903 would have side street left turns degraded from LOS C to LOS D if Alliance Road is selected as the project's west access.

Potential mitigation measures for affected intersections are described at the end of the responses to the WSDOT letter. Appropriate transportation mitigation will be negotiated with WSDOT in conjunction with preparation of the Development Agreement for City Heights.

Response to WSDOT Comment #3: Comments were received after school was dismissed for the summer; therefore, it was not possible to obtain new traffic counts on SR 903 at Alliance Road to evaluate AM peak hour conditions. Alternatively, historic counts were researched. All major studies performed in this area – City of Cle Elum *Draft Transportation Plan* (May 2009), WSDOT SR 903 Route Development Plan (January 2004), *Kittitas County Long Range Transportation Plan* (June 2008), and ongoing traffic monitoring performed for Suncadia (Transportation Solutions, Inc., 2008) – evaluated only PM peak hour conditions. In fact, a search of these resources revealed no AM peak hour traffic volumes or analysis. It is for this reason that PM peak hour conditions were evaluated for the City Heights Draft EIS.

In 2007, WSDOT performed a three-day traffic count on SR 903 at milepost 2.28 (at the Roslyn Creek Bridge west of Stafford Avenue). This count was performed in June when school was in session. These counts were compiled to show how traffic volumes fluctuate by time of day. These volumes are shown on Figure 2.1-1 below. This chart shows that there is a westbound peak in morning traffic, which could be related to school trips. However, overall AM peak hour volumes are about the same as the PM peak hour volumes. Also, at the Alliance Road intersection, traffic conditions would be worst after school when traffic is exiting that site. Therefore, it is unlikely that AM peak hour operations would be worse than PM peak hour operations.

Figure 2.1-1. Hourly traffic volumes – SR 903 at milepost 2.28 (East of Stafford Avenue).



Source: Washington State Department of Transportation (WSDOT) Traffic Data Office, Counts were performed on Tuesday, June 5, 2007 through Thursday June 7, 2007.

Response to WSDOT Comment #4: See the response to WSDOT Comment #2 above. Future signalization is needed at these intersections if the substantial growth assumed in this report occurs. The City Heights project by itself would not trigger the need for the signals. However, if background growth is lower, then signals would only be needed at two of the intersections: W Cemetery Road/W 1st Street and Stafford Avenue/W 2nd Street (SR 903). These intersections would operate at LOS F without the City Heights project; therefore, it is reasonable to assume that City Heights would only be responsible for a proportionate share of the mitigation need. With lower background growth, left turns at two of the intersections – the northbound left turn from Oakes Avenue to W 2nd Street and the southbound left turn from Columbia Avenue to E 1st Street – could be improved to LOS C if a two-way left turn lane were striped on the major street; no signals would be needed. Finally, with lower background growth, no signal would be needed at the SR 903/SR 907 intersection.

Potential mitigation measures for affected intersections are described at the end of the responses to this letter. Appropriate transportation mitigation plan will be negotiated with WSDOT in conjunction with preparation of the Development Agreement for City Heights.

Response to WSDOT Comment #5: See WSDOT Comment #2 and the response to that comment above. Future degradation of the SR 903/SR 903 Spur intersection (referred to in the City Heights Draft EIS as SR 903/SR 907) would occur if the substantial background growth assumed for this intersection were to occur. As shown in Table 2.1-1 above, background traffic volumes were assumed to increase by over 600 vehicles per hour through this intersection. The City Heights project was expected to add an estimated 170 to 260 trips depending on the alternative selected. Therefore, background growth contributed more than three times the traffic increase compared to the City Heights project. If a more moderate background growth rate is assumed (3 percent per year), and City Heights traffic is added to that

volume, then the intersection would continue to operate at LOS C in the future and no improvements would be needed.

Response to WSDOT Comment #6: The western access point to City Heights could be either through the Cle Elum Pines (Deneen) property or at Alliance Road. As described in Response to WSDOT Comment #2 above, left turns from Alliance Road onto SR 903 could operate at LOS D in the future. However, the affected movement's volume would be too low to warrant a traffic signal (less than 20 vehicles per hour for even the highest-volume alternative). The same would be true for an access through the Deneen property. Therefore, it is recommended that the west end of the project be served by two access points that are interconnected through the site. With this layout, motorists would likely choose to egress the site via the Stafford Avenue route instead of waiting to turn left at Alliance Road.

Response to WSDOT Comment #7: Only a portion of the statement made on Draft EIS page 1-32 is noted in WSDOT Comment #7, suggesting that the commentor may have construed that the Draft EIS suggests development of City Heights at full build-out is not expected to increase traffic incidents within the area studied. The entirety of that statement addresses the concern raised by WSDOT. It provides: "City Heights traffic at full build-out is not expected to increase the number of traffic incidents within the study area *other than in proportion to the affect of additional cars on City streets and WSDOT highways.*" This is a fair statement, as nothing unique is anticipated with traffic that would be generated by City Heights that would generate a higher proportion of traffic incidents. It is recognized that motorists who experience long delays at a stop sign may choose to turn into a gap that is too short, increasing the risk of an accident. For this reason, a secondary means of egress is proposed to the west end of the City Heights project so that motorists can choose to egress the site via Stafford Avenue instead of at Alliance Road.

Response to WSDOT Comment #8: Statements with which WSDOT does agree regarding the requirement to comply with WSDOT standards are acknowledged. These requirements are noted in the Draft EIS Fact Sheet (page vi), and in Draft EIS Chapter 3 Section 3.16, Transportation (page 3.16-31).

Response to WSDOT Comment #9: The Draft EIS traffic analysis, which evaluated the worst-case growth condition, did not reveal any "fatal flaws" to traffic along SR 903 that could not be mitigated at the affected intersection. A new collector road would not be an appropriate mitigation measure as the EIS does not identify any significant unavoidable adverse impacts to SR 903 transportation as a result of the proposed project.

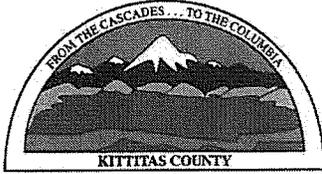
Summary of Potential Mitigation Measures: A meeting was held on July 26, 2010 with WSDOT representatives, the City of Cle Elum, Kittitas County representatives, the project proponent, and the project traffic consultant. It was acknowledged at this meeting that growth assumptions used in the City Heights Draft EIS likely reflect the worst-case condition. The City described its ongoing process to reassess its growth forecasts as it finalizes its Transportation Plan. The level of service results presented in response to Comment #2, which reflect a moderate growth rate, were discussed. Based on this new analysis and that discussion, the following mitigation measures are suggested for City Heights:

- **Stafford Avenue/W 2nd Street (SR 903)** – Monitor this intersection to determine when a traffic signal is warranted. Once warranted, City Heights would pay a proportionate share of the costs of the signal. Depending on the level of background growth, City Heights traffic would represent 25 percent to 30 percent of the total traffic entering this intersection.
- **W Cemetery Road/W 1st Street** - Monitor this intersection to determine when a traffic signal is warranted. Once warranted, City Heights would pay a proportionate share of the costs of the

signal. City Heights traffic would represent about 10 percent of the total traffic entering this intersection.

- **Oakes Avenue/W 2nd Street** – Reconfigure W 2nd Street through this intersection to provide a center two-way, left-turn lane (TWLTL). City Heights would pay 100 percent of the cost of this improvement.
- **Columbia Avenue/E 1st Street** - Reconfigure E 1st Street through this intersection to provide a center two-way, left-turn lane (TWLTL). City Heights would pay 100 percent of the cost of this improvement.
- **SR 903/SR 970** – No mitigation likely needed. However, the intersection should be monitored to determine if changes to traffic control or lane configuration are needed in the future. If changes are needed, then the project should contribute a proportionate share cost. Depending on the level of background growth and the alternative selected, City Heights traffic would range from 10 percent to 20 percent of total traffic entering this intersection.
- **Alliance Road/SR 903** – Provide an interconnected, second access point for the west end of the City Heights project to provide an alternative egress point for motorists.

Appropriate transportation mitigation will be negotiated with WSDOT in conjunction with preparation of the Development Agreement for City Heights.



KITTITAS COUNTY DEPARTMENT OF PUBLIC WORKS

Kirk Holmes, Director

June 7, 2010

Matt Morton, Community Development Director
City of Cle Elum
119 W First St
Cle Elum, WA 98922-1159

Dear Mr. Morton,

Kittitas County Public Works has reviewed the City Heights EIS and has the following comments:

1. Alternatives

The difference of 110 units between Alternatives 1 and Alternatives 2 and 3A does not appear to warrant the reduction in public amenities as much as is proposed by the applicant.

2. Relationship to Plans and Policies

The EIS states if the project was developed in the county, the city would have little or no influence over development standards for the project and would not be able to protect their interests or the character and quality the city desires.

If the project were developed in the county, the county would work closely with the city to ensure the site is developed to city standards. Because the property is located within the Cle Elum UGA, the property will likely be annexed at some point in the future. Even if the annexation does not occur for many years, the site should be developed to city standards. The City of Cle Elum will be able to influence and regulate development of the site, as much as County Code allows.

3. Transportation System

- (A) Haul Routes: Haul routes may require discussion with Kittitas County as well, if any haul routes are proposed over County roads.
- (B) Roads Proposed Within Power Line Easements: Generally, paved roads within the easement and parallel to the power lines are not allowed. Before making the assumption that roads can be developed within the power line easements, BPA and PSE should be contacted.
- (C) Access Routes: Alternative 1 proposes access from Montgomery Avenue. This road has a 30' easement for 320' and additional easement has not been able to be purchased. A 30' easement is not sufficient for construction of a city road.
- (D) Alternatives 1, 2 and 3a proposed the use of Columbia Avenue and the private Creekside Road to access the property. A portion of Creekside Road is located outside of the Cle Elum UGA and cannot be a city road. This road would need to remain private.

- Ⓔ Non-Motorized Facilities: The length of walking paths and trails should be the same in all alternatives.
- Ⓕ Mitigation Measures: Impacts caused directly by the City Heights project should be mitigated completely by the applicant, and not through proportionate share mitigation.
- Ⓖ Applicable Regulations: Modifications to the SR 903/Alliance Road intersection will also require consultation with Kittitas County Public Works.

Sincerely,



Christina Wollman
Kittitas County Department of Public Works

**RESPONSE TO COMMENTS SUBMITTED BY THE KITTITAS COUNTY
DEPARTMENT OF PUBLIC WORKS**

Response to KCDPW Comment #1: The Draft EIS states in Chapter 2: Description of the Proposal and Alternatives (page 2-6) that there would be limited or no public amenities in the Alternative 2 development concept due to reduced resources compared to Alternative 1, and on page 2-8 that all open space (approximately 161 acres) would be unimproved in Alternative 3A with no public amenities. To clarify, “reduced resources” means that 110 fewer lots for sale would produce less revenue for amenities and common area improvements. Medium-valued lots are proposed with a narrow profit margin. The overall package of mitigation requirements to be specified in the Development Agreement will prioritize and address the project’s proportionate share costs for transportation system improvements, utilities, and public services in addition to parks, trails and open space improvements.

The City’s proposed level of service standards for parks, open space and trails reported in Draft EIS Chapter 3 Section 3.14 are based on a project’s proportionate share of City-wide population. Thus, it is expected that within the City, alternatives with a reduced number of dwelling units and therefore fewer residents would provide less in the way of these amenities (see Table 3.14-4 on Draft EIS page 3.14-11 and the associated discussion).

Response to KCDPW Comment #2: The City agrees with the Kittitas County Department of Public Works commentor, and accepts the County’s offer to work closely with the City to ensure the site is developed to urban city standards if the project were to be developed in the County (Alternative 3A or 3B), within the City’s Urban Growth Area (UGA). If the City Heights property develops in the UGA, the City of Cle Elum further requests that the County enter into an Interlocal Agreement or similar enabling document that would govern the development standards, responsibilities for on- and off-site mitigations, and implementation of appropriate conditions based on Best Available Science and Best Management Practices, to address known significant unavoidable adverse impacts as disclosed in the EIS.

The County’s position expressed in its June 7, 2010 letter of comment regarding the propriety of joint coordination to ensure the subject area is developed to urban city standards even if in the County is consistent with discussions the City had with the County during preparation of the Draft EIS.

Response to KCDPW Comment #3A: Haul route coordination requirements described in Draft EIS Chapter 2 Section 2.9.4.1 (page 2-27), and Draft EIS Chapter 3 Section 3.16 (page 3.16-30), have been corrected by means of the Errata Sheet (Final EIS Chapter 3).

Response to KCDPW Comment #3B: Numerous statements are made throughout the Draft EIS of the project proponent’s intent to coordinate proposed development with Puget Sound Energy (PSE) and the Bonneville Power Administration (BPA), particularly where improvements (roads, trails, and utilities) are shown on conceptual land use plans to cross the power line corridors. The property owner (City Heights project proponent) is the grantor of the easements that allow PSE and BPA to construct, operate, patrol, maintain, repair, replace, and enlarge electrical transmission and/or distribution lines within these corridors on the property. The language of the easements granted to PSE and BPA allow the property owner to “ . . . cross and re-cross the right-of-way at any point and to use said right-of-way for the purpose of constructing, operating and maintaining communication lines, pipelines, conduits and roadways . . . ”

Response to KCDPW Comment #3C: If Montgomery Avenue is proposed as a point of access to the City Heights development in the final site plan configuration selected, it will be the project proponent’s

responsibility to expand the easement. Draft EIS Alternatives 2 and 3A analyze scenarios in which Montgomery Avenue would be used for emergency vehicle access only, via the power line corridor.

Response to KCDPW Comment #3D: Comments regarding a portion of Creekside Road being outside the City limits and therefore needing to remain a private road (rather than developed to City standards) are acknowledged.

Response to KCDPW Comment #3E: See the response to comments submitted by the Washington State Department of Transportation (WSDOT), including the summary of recommended mitigation measures at the end of the response to those comments. Appropriate mitigation will be negotiated with affected agencies in conjunction with preparation of the Development Agreement for City Heights.

Response to KCDPW Comment #3F: The opinion expressed in this comment is acknowledged. The author of the Kittitas County Department of Public Works comments (Christina Wollman) participated in the July 20, 2010 meeting with the City of Cle Elum, WSDOT representatives, project proponent, and project traffic consultant.

Response to KCDPW Comment #3G: The requirement to coordinate improvements to Alliance Road (if any) with the Kittitas County Department of Public Works has been added to the Draft EIS Fact Sheet (page vi), and to Section 3.16 (page 3.16-31) by means of the Errata Sheet (Final EIS Chapter 3).

Kittitas County Water District #2

P.O. Box 116, Ronald, WA 98940

City of Cle Elum

119 West First Street

Cle Elum, WA 98922

May 24, 2010

Attn: Mr. Matt Morton, Community Development Director.

Re: City Heights Planned Mixed Use Development Draft EIS.

Mr. Morton,

Thank you for the opportunity to comment on the above issue.

1 The first and foremost concern of K.C.W.D. #2 is the amount of water that will be required to service such a large development. The City Heights project consisting of from 875 to 985 dwelling units, will require (allowing 350 gallons daily, per unit) 344,750 gallons of water per day. This does not take into consideration the water needed for irrigation of the proposed parks nor the commercial use that will be required.

2 Besides the City Heights proposal, document #1.5-1 shows 466 acres of adjacent land that has future development potential. It is evidently the intention of the property owners to develop these 466 acres sometime in the future. This adjacent developable land is larger in area than the City Heights proposal. If the figure of 5.8 dwellings per acre is carried over to the adjacent land there will be another 1000 dwelling units that will need water and sewer service in the future. If our figures are correct that is another 350,000 gallons of water added to the 344,750 gallons required by City Heights, for a daily consumption of 694,750 gallons or 92,881 cubic feet.

3 A study of the upper county aquifers has been funded by the State of Washington. This study has not been started, much less completed. Allowing such a large development to proceed without any idea of how much water actually exists in the upper county is not justifiable. Considering the other large developments proposed for Easton and Ronald it becomes even harder to justify. This project and the others should be shelved until the water aquifer study is complete. Removing such a large amount of water daily from the surface waters of the county is bound to affect those communities and small water districts that are dependent upon ground water. It is an accepted fact that surface water and ground water are connected. Too much taking from one will have an effect on the other.

4 The EIS (Water Resources) states that the City of Cle Elum is designated an aquifer recharge area under City code and goes on to state that Kittitas County Code does not identify any critical aquifer recharge locations within the county so none exist on the City Heights property. Because the county has not performed a study of the water supply in the Upper County it is not sure where the aquifer recharge areas are. The fact that the county has failed to conduct a water availability study and then update the Code is not proof that there are no recharge areas on City Heights property.

5 The EIS also confirms the fact that ground water discharges to surface water. Thereby maintaining stream flows. The EIS likewise states that it is expected that groundwater flows southward through the City Heights property, discharging in to the Yakima River Valley and ultimately to the Yakima River. City Heights may find it necessary to furnish water to its development by drilling permit exempt wells throughout its property. A permit exempt well can only furnish up to 5000 gallons of water per day. If almost 350,000 gallons of water is drawn daily from the ground below City Heights, it will require 70 wells to produce the water needed and that much less water will be available to downstream property owners. These wells will be turned over to the City to maintain, or if water is furnished by the City then maintenance of the distribution system will be the responsibility of the City.

The quality of the Water under City Heights is admittedly uncertain (page 3.3-2). No tests have been made nor can any wells be drilled for testing until the current moratorium on well drilling initiated by the DOE is lifted. We believe this shows the very great need for the proposed study to be performed as soon as possible. Again, we suggest that this project be shelved until such a study is completed.

6 It appears to K.C.W.D. #2 that the City of Cle Elum is being offered a "pig in a poke". Water rights transfers are mentioned but none have been processed. No water quality testing has been done. The ground under City Heights is honeycombed with flooded coal mine drifts and shafts. Does Cle Elum want to incorporate water from flooded coal mines into its water system? Has any attention been directed to the possibility of subsidence from the withdrawal of such a large amount of water from mine shafts without knowing if there are recharge areas on City Heights property? There have been issues with subsidence within the City in the past. Northland Resources wants annexation into the City but would future buyers truly desire that. Can a single entity request annexation for such a large parcel?

7
8
9 Besides the issue of water, there are other concerns held by Water District #2, concerns that should worry all residents of the upper county and Cle Elum.

10 Document 2.6-1 (Alternative 1) shows possible access to SR 903 from the northern end of the development. This access will, in time, require a stop signal at SR 903. Will the City of Cle Elum bear the cost of the installation of the signal light? Will Washington State permit it? The bridge projected to cross the Coal Mine Trail and Crystal Creek is unacceptable. It ruins the esthetics and disrupts the historic meaning of the trail. The Trail belongs to all of the residents of the county, not just CityHeights.

11 The use of Montgomery Street and 6th Street as access to the development will disturb these quiet neighborhoods greatly. Montgomery Street is supposed to be for emergency access only but how will that be controlled? The 6th Street access is convoluted and confusing, requiring the use of several neighborhood streets to reach either SR 903 or 1st Street. The number of vehicles coming and going to the City Heights area will eventually require traffic control in the form of another traffic light at 2nd Street which is becoming the preferred route east and west to avoid traffic on 1st Street. A traffic light may also prove necessary at 1st and Montgomery. This is the same for Alternatives 2 and 3. Will Cle Elum need to

↑ pay for the traffic light installation at these places also?

12 The main road servicing the City Heights area crosses and in places utilizes the power line right of way. Is it good practice to have so many vehicles driving under high tension power lines?

13 Storm water and snow melt runoff which now, for the most part, penetrates the ground will be prevented from doing so by the asphalt roads, etc. and the excess water will follow the way of least resistance into the city and the properties at the foot of the hill. This may prove unacceptable to those property owners.

14 Who will do the inspection necessary to ensure that the roads in City Heights meet standards? Will the city or county do it or will they allow the developer to do his own inspections? (Not a good idea and has had undesirable results in the past).

15 Doubling the size of Cle Elum may look on the surface to be beneficial to the City tax wise but the increase in City responsibility should be examined more closely.

Does the City of Cle Elum really wish to become another Issaquah with apartment buildings, condominiums, etc. lining the hills around her? How many more vehicles, people and houses will it take before the residents of Cle Elum cry enough?

Sincerely,



James Boyle,
Chairman, Board of Commissioners
Kittitas County Water District #2

RESPONSE TO COMMENTS SUBMITTED BY KITTITAS COUNTY WATER DISTRICT #2

Response to KCWD2 Comment #1: The Washington Department of Ecology is the agency responsible for administering water rights in the State of Washington, and for determining the impact analysis and mitigation commitments required. The City Heights applicant has been engaged in Ecology’s water right process as required by law and regulation for a transfer (not a new water right) to serve the development. Water demand projections for the development are provided in Draft EIS Chapter 3 Section 3.18.1, and include proposed residential use, commercial use, and a 7.5% contingency. Under *Other Recommended Mitigation Measures* in this section, it is suggested that the Covenants, Conditions and Restrictions (CC&Rs) of the development could require homeowners to install only drought-tolerant (i.e., xeric) landscaping to minimize irrigation requirements.

Response to KCWD2 Comment #2: The water supply requirements of future development by others will also be required to go through Ecology’s rigorous water right approval process with mitigation to achieve a “water budget neutral” service; i.e., water supply that will result in no net increase in the amount of water used and no net loss of water in the basin.

Response to KCWD2 Comment #3: The terms and conditions of water right approvals in Upper Kittitas County (and throughout the State of Washington) are the purview of the Department of Ecology. The water supply proposal for the City Heights development is a water right transfer from former irrigation use, with specific mitigation requirements to achieve a year-around water-budget-neutral use of the resource. Under Alternative 1, 2 or 3A, City Heights water use will be mitigated by surface water rights that have been placed into the State Trust Water Right Program (as described in Draft EIS Chapter 2 Section 2.9.2, pages 2-20 through 2-21), such that total water supply available in the Yakima Basin will not be diminished. In this manner, the project has been determined by Ecology to have no negative effect on the availability of water for other uses within the Yakima Basin.

Response to KCWD2 Comment #4: The Draft EIS Water Resources section (Chapter 3, page 3.3-2) does not claim any “proof” that there are no aquifer recharge areas on the City Heights property. It correctly states that Kittitas County Code identifies no critical aquifer recharge locations within the County, which covers the City Heights property. Under Alternative 3A or 3B therefore, the County would not have a means to regulate site development as if it were within a critical aquifer recharge area. The Draft EIS notes on page 3.3-8 that if Alternative 1 or 2 is selected, the City would conservatively assume that the 330 acres of the site presently outside the City limits *are* within an aquifer recharge area, and would designate it as such upon annexation. This designation would require site development to comply with design standards in the Cle Elum Municipal Code for the protection of aquifer recharge areas (CEMC Title 18, Section 18.01.140).

Response to KCWD2 Comment #5: Under City Heights land use Alternatives 1, 2 or 3A, water supply would be provided from off-site wells completed in Yakima River alluvial deposits and authorized by water right from the Department of Ecology. The only alternative that may rely on multiple on-site permit-exempt wells is Alternative 3B: No Annexation, Development within the County under Multiple Ownerships. Since this alternative would not include annexation to the City of Cle Elum, the City would not take ownership of or to maintain private, permit-exempt wells. Therefore, water from on-site permit-exempt wells completed in bedrock beneath the site would not be incorporated into the City water supply system.

Response to KCWD2 Comment #6: The water right transfer described above to serve the City Heights development has been processed and is ready to be issued pending completion of the Final EIS. Off-site

wells to be completed in Yakima River alluvial deposits will be tested to confirm suitability for domestic use prior to being put into service. The Class A Community Water System to serve Alternative 1, 2 or 3A will be subject to compliance with all applicable State and local standards regulations, including those administered by the Washington Department of Ecology and the Washington State Department of Health (as reported in Draft EIS Chapter 3 Section 3.18.1, page 3.18-10).

Response to KCWD2 Comment #7: It is not the intention for well water to be withdrawn from mine shafts. As previously stated in response to KCWD2 Comment #5, wells proposed to serve City Heights Alternative 1, 2, or 3A would be drilled off-site in Yakima River alluvial deposits. If Alternative 3B were selected (the least likely alternative to be implemented), and if the water supply proposal to serve development under this alternative was predominantly permit-exempt wells, additional investigation may be required to address water quantity, water quality, and potential subsidence issues.

Response to KCWD2 Comment #8: The Washington State Growth Management Act (Chapter 36A RCW) considers it to be in the public interest for urban development to occur in areas where urban services are provided. The project proponent considers it desirable for urban development of the site to be within the incorporated area to receive (and contribute to) City services that would not be available (or would be more difficult to provide) if development were to occur in the County under Alternative 3A or 3B.

Response to KCWD2 Comment #9: See comments submitted by WSDOT and the City's response to those comments.

Response to KCWD2 Comment #10: If a bridge crossing of the Coal Mines Trail is ultimately proposed for the west access to the development, City decision makers will most certainly consider aesthetics and other matters related to use of the trail during their deliberations whether to approve, deny or approve with conditions this project element.

Response to KCWD2 Comment #11: See the response to KCWD2 Comment #9, above.

Response to KCWD2 Comment #12: See the response to Kittitas County Department of Public Works Comment #3B.

Response to KCWD2 Comment #13: Statements are made at numerous locations within the Draft EIS that stormwater runoff during construction and in the completed condition of the development will be controlled in accordance with the requirements of Ecology's *Stormwater Management Manual for Eastern Washington*. The Utilities: Stormwater Management section reports on page 3.18-28 that ". . . detention facilities are proposed throughout the project site, based on separate basin areas, to detain the post-development runoff associated with proposed site improvements."

Response to KCWD2 Comment #14: The Draft EIS reports in Chapter 3 Section 3.17.1 (page 3.17-2) that depending on the City Heights alternative selected for implementation, the City Public Works Department would provide inspection services (for Alternative 1 or 2), or the County Department of Public Works would provide inspection services (for Alternative 3A or 3B).

Response to KCWD2 Comment #15: The City of Cle Elum is responsible under the Washington State Growth Management Act for planning for future growth (see Draft EIS Chapter 3 Sections 3.7.1, 3.10 and 3.11). The Covenants, Conditions and Restrictions (CC&Rs) of the City Heights development will include architectural standards for building character, exterior materials and colors; lighting, restoration plantings and screening requirements; and road standards that include provisions for landscaping and pedestrians (Draft EIS Aesthetics section, page 3.13-13). The City will be given an opportunity to review and comment on these development standards (see the discussion that follows City of Cle Elum Land Use Goal-1 on Draft EIS page 3.7-7).

RESPONSE TO COMMENTS SUBMITTED BY THE CLE ELUM-ROSLYN SCHOOL DISTRICT

In an e-mail message addressed to eiscomment@gmail.com, Brian Twardoski wrote:

Please see attached comments regarding the City Heights Draft Environmental Impact Statement. The School District looks forward to working with the City and the developer to craft a development agreement that will be effective for all.

Mr. Twardoski entered electronic comments in the .pdf files of one Draft EIS text section and the Fiscal Analysis technical report prepared in support of the Draft EIS. Text excerpts (in italic font) are copied into the transcript below, followed by Mr. Twardoski's comments and the City's response to these comments.

DRAFT EIS SECTION 3.17 PUBLIC SERVICES SUBSECTION 3.17.5 SCHOOLS

MITIGATION MEASURES: APPLICABLE REGULATIONS (PAGE 3.17-24)

Because of the lid on local tax revenues (imposed by RCW 84.52.0531), the School District can effectively fund the operational impacts of additional students by collecting proportionately more funds locally to fill the gap between expenditures and non-local support. As enrollment grows, non-local support will grow and the amount of local funding can increase proportionately under State funding formulas. In addition, the City Heights development would generate a larger tax base over which to spread the fixed cost of bond repayment . . .

School District Comment #1: The challenge here is that the School District can't afford to wait until the taxable property values of the City Heights project grows large enough to support the increased enrollment. There is a latency in the construction planning process of 3 to 5 years.

Response to School District Comment #1: This comment is acknowledged. The City of Cle Elum will provide for the School District to negotiate appropriate mitigation for schools in conjunction with preparation of the Development Agreement for City Heights.

DRAFT EIS SECTION 3.17 PUBLIC SERVICES SUBSECTION 3.17.5 SCHOOLS

SIGNIFICANT UNAVOIDABLE ADVERSE IMPACTS (PAGE 3.17-25)

Table 3.19-14 in Draft EIS Section 3.19 shows how operating costs can be balanced to result in no net effect on School District operations. Tables 3.19-17 and 3.19-18 show funding options for the potential School District capital facility impacts of the City Heights alternatives. Because the Development Agreement to be negotiated between the City and the project proponent (if Alternative 1 or 2 is selected), or conditions of project approval that would be imposed by Kittitas County if Alternative 3A or 3B is selected, would provide for capital facilities funding options satisfactory to the School District, there should be no significant unavoidable adverse impact to the District.

School District Comment #2: There is a critical assumption in this statement regarding capital facilities funding options that are satisfactory to meet the needs of the School District.

Response to School District Comment #2: This comment is acknowledged. See the response to School District Comment #1.

CLE ELUM CITY HEIGHTS FISCAL ANALYSIS TECHNICAL REPORT
Property Counselors, March 2010

SUMMARY: OPERATING IMPACTS

TABLE 2. SUMMARY OF OPERATING IMPACTS (\$2009), PAGE 4

School District Comment #3: Line Item: Contribution to Bonds – It is unclear how these numbers are derived.

Response to School District Comment #3: The Contribution to Bonds line item was calculated as the product of the potential assessed valuation and the current bond levy rate. This item would not be available after the outstanding bonds are paid off in 2011.

SUMMARY: OPERATING IMPACTS (PAGE 5)

The Cle Elum-Roslyn School District would be able to collect sufficient revenue from State, Federal and local sources to cover additional operating expenses. There would be no net effect on operations. However, the District can spread the cost of current bond levies over a wider tax base, thereby lowering the impact on existing taxpayers.

School District Comment #4: Federal funds are allocated based upon factors derived from the census. I don't anticipate enrollment growth related to the City Heights project to drive more Federal revenue to the School District.

Response to School District Comment #4: Federal funds were equivalent to \$617 per student, or 8.2% of non-local sources of revenue for the District in the 2008/2009 school year when the *Cle Elum City Heights Fiscal Analysis* was performed (Property Counselors, March 2010). Federal revenues fund a variety of programs on both a formula- or competitive-basis. The impact of City Heights will be reflected in future censuses. The Fiscal Analysis consultant projects that enrollment growth related to City Heights should drive some new Federal revenues, if not at the historical per capita levels.

SUMMARY: CAPITAL COST IMPACT (PAGE 6)

The major capital cost impact of the City Heights development would be the cost of additional school facilities if and when any modifications or additions to existing facilities are determined to be required. While the Cle Elum-Roslyn School District currently has excess capacity at the elementary school level, and to a lesser extent at the middle school level, the District may at some time in the future have to add classroom and supporting facilities to serve the increased enrollment associated with the City Heights development. Several uncertainties exist at the time of this writing that make actual mitigation requirements difficult to determine. For example, there is uncertainty regarding the number of students that would be attending the elementary, junior high and high schools in the future, and the number of homes within City Heights that would be permanently occupied by families with children. There are options available for how to accommodate future facilities needs. As an offset to the total cost of new facilities or facilities expansion, varying levels of matching funds are available from the State. At the present time, the District is eligible for only nominal State matching funds. At the time that additional capacity is required, the District would likely be eligible for State funds for a larger portion of this cost.

School District Comment #5: Due to the high property value status of the School District, we are NOT likely to receive more than 10 to 15% support from the State at any time in the foreseeable future.

Response to School District Comment #5: The Fiscal Analysis consultant found that the District is currently eligible for a 20% State Funding Assistance percentage for qualifying projects, as determined by the State Office of Public Instruction. (The effective match percentage is lower because the State assumes construction cost factors that are well below actual costs.) This is the lowest rate among all districts in the State, and reflects the District's high property values on a per pupil basis. The percentage cannot go lower according to law, and may increase over time. The applicable factor at the time of construction of any new facilities can be considered in identifying the actual impact.

SUMMARY: CAPITAL COST IMPACT (PAGE 6)

If needed, classrooms and support facilities could be provided through the construction of new facilities, the expansion of existing facilities, or utilization of modular facilities. The School District's Capital Facilities Plan calls for, among other things, the construction of a new high school campus. Construction of a new campus (classrooms, offices, gymnasium, recreational facilities, etc) would need to be financed through the issuance of voter-approved bonds. The City has the ability to issue bonds approved by the voters (including new residents within City Heights) to complete a new campus and may choose to support such an initiative in the future; however, if bonds were not approved by the voters, options other than an entire new campus would need to be utilized to accommodate transitional growth in student enrollment.

School District Comment #6: The School District has the ability to issue bonds approved by the voters for the construction of new facilities, not the City.

Response to School District Comment #6: This comment is acknowledged. The correction has been noted in the Errata Sheet (Final EIS Chapter 3), and in the final *Cle Elum City Heights Fiscal Analysis* (Property Counselors, November 2010).

SUMMARY: CAPITAL COST IMPACT (PAGE 6)

The Development Agreement to be negotiated between the City of Cle Elum and the project proponent will provide for funding options satisfactory to the School District to provide a means to finance the facilities needed to accommodate the growth in student population attributable to development of City Heights.

School District Comment #7: The Development Agreement to be negotiated between the City of Cle Elum, the project proponent and the School District . . .

Response to School District Comment #7: The City acknowledges that the School District will participate in mitigation negotiations for impacts to schools that will become elements of the Development Agreement. This correction has been noted in the Errata Sheet (Final EIS Chapter 3), and in the final *Cle Elum City Heights Fiscal Analysis* (Property Counselors, November 2010).

AFFECTED ENVIRONMENT AND CURRENT FISCAL CONDITIONS
TAXING DISTRICTS

TABLE 4. TAXING DISTRICTS AND TAX RATES (PAGE 9)

School District Comment #8: The Cle Elum Roslyn School-Levy and Cle Elum Roslyn School-Bond labels need to be switched [in the first column, in relation to the tax rates indicates in columns 2 and 3 of this table]. The levy is .624122/k and the bond is .254811/k.

Response to School District Comment #8: The tax rates have been corrected. The change affects the estimation of annual contribution to bonds. *Fiscal Analysis* technical report Tables 4 and 18 have been corrected in the November 2010 version of that document, and are included in the Errata Sheet (Final EIS Chapter 3).

COMPARISON OF OPERATING IMPACTS

REVENUE ASSUMPTIONS

TABLE 13. ASSUMED TAX RATES (PAGE 22)

School District Comment #9: The Cle Elum Roslyn School-Levy and Cle Elum Roslyn School-Bond labels need to be switched [same comment as #8, different table].

Response to School District Comment #9: *Fiscal Analysis* technical report Table 13 has been corrected in the November 2010 version of that document, and is included in the Errata Sheet (Final EIS Chapter 3).

OPERATING EXPENSE AND OTHER REVENUE ASSUMPTIONS

COMPARISON OF OPERATING IMPACTS: SCHOOL DISTRICT (PAGE 29)

TABLE 18. COMPARISON OF OPERATING IMPACTS, CLE ELUM-ROSLYN SCHOOL DISTRICT (\$2009)

School District Comment #10: Federal funding is NOT per student, but rather derived from census data.

Response to School District Comment #10: Non-local sources of funding were presented in the *Fiscal Analysis* technical report on a per student basis. Actual revenues will be determined based on a variety of more detailed factors.

OPERATING EXPENSE AND OTHER REVENUE ASSUMPTIONS

COMPARISON OF OPERATING IMPACTS: SCHOOL DISTRICT (PAGE 29)

TABLE 18. COMPARISON OF OPERATING IMPACTS, CLE ELUM-ROSLYN SCHOOL DISTRICT (\$2009)

School District Comment #11: The labels [in column one] need to be switched. The levy is .624122/k and the bond is .254811/k [same comment as #8, different table].

Response to School District Comment #11: *Fiscal Analysis* technical report Table 18 has been corrected in the November 2010 version of that document, and is included in the Errata Sheet (Final EIS Chapter 3).

COMPARISON OF CAPITAL IMPACTS AND POSSIBLE FUNDING SOURCES

CLE ELUM-ROSLYN SCHOOL DISTRICT (PAGE 36)

TABLE 22. COMPARISON OF CAPITAL IMPACTS – SHARE OF COST OF NEW SCHOOLS, CLE ELUM-ROSLYN SCHOOL DISTRICT (\$2009)

School District Comment #12: The [Elementary, Middle, and High School] costs/ft² are too low. Cost estimates furnished to the School District during our long term facility planning (2007) were in the \$250 to \$300/ft² range.

Response to School District Comment #12: The construction cost factors of \$210 per square foot for elementary and middle schools and \$255 for high schools (respectively) were derived by the Fiscal Analysis consultant based on national construction cost data from McGraw Hill for the National Clearing House for Educational Facilities. Actual bid prices for new construction projects in Washington State in 2009 and reported to the Superintendent of Public Instruction were:

ELEMENTARY AND MIDDLE SCHOOLS	
Ardmore Elementary Replacement, Bellevue	\$247.38
New elementary #15, Issaquah	\$209.96
New Cottonwood Elementary, Kennewick	\$198.82
Lakewood Middle Replacement, Sumner	\$220.91
Lakota Middle Replacement Federal Way	\$177.84
Denny Middle Replacement, Seattle	\$238.94
HIGH SCHOOLS	
Curtis Gym Replacement, University Place	\$229.78
Spanaway Addition and Replacement, Bethel	\$175.49
Lake Washington High School, Lake Washington	\$355.94

These factors include sales tax. It is acknowledged that the cost of any project is related to its size, scope, and location, but the assumed rates used in the *Cle Elum City Heights Fiscal Analysis* (Property Counselors, March 2010) fall within the range of the actual projects listed above, and include an allowance for design and permitting.

These rates are also consistent with the cost factors presented in the *Cle Elum-Roslyn School District No. 404 Study and Survey* (Integrus Architecture, P.S., September 2007). The cost factor for the Cle Elum Middle School was \$176 per square foot (memo to architect dated 4/6/2007). The cost factor for the high school was \$230 per square foot (memo to architect dated 4/19/2007).

TABLE 22. COMPARISON OF CAPITAL IMPACTS – SHARE OF COST OF NEW SCHOOLS, CLE ELUM-ROSLYN SCHOOL DISTRICT (\$2009) (PAGE 36)

School District Comment #13: \$85k is on the low end of the range for a new bus. The School District just ordered (spring 2010) a new bus for \$119k.

Response to School District Comment #13: The City acknowledges that the District’s recent experience in purchasing a new bus is likely to reflect future needs. At \$119,000 per bus, the total cost for the additional buses estimated to be needed under the City Heights Preferred Alternative would be \$418,000 rather than \$298,000.

COMPARISON OF CAPITAL IMPACTS AND POSSIBLE FUNDING SOURCES
CLE ELUM-ROSLYN SCHOOL DISTRICT (PAGE 37)

Other options to accommodate the additional students such as adding additional classrooms to the existing facilities or utilizing modular units to accommodate expansion would result in lower costs. The cost impact of adding additional classrooms is compared for alternatives in Table 23. The average cost per classroom is assumed at \$300,000 reflecting 1,425 square feet plus a 20% circulation factor, and a unit cost of \$175 per square foot.

School District Comment #14: This cost [\$175 per square foot] is a very low assumption. Extending the footprint of existing buildings is not feasible in the long term as the building infrastructure is not suitable for assumed extensions. Additionally, building and safety code compliance issues are considerable and will add to the cost of this approach.

Response to School District Comment #14: Depending upon the actual enrollment generated by City Heights and the total classroom need, the incremental addition of classroom facilities may meet short-term and long-term needs. However, the Cle Elum-Roslyn School District, project proponent, and City will address through negotiations in conjunction with preparation of the Development Agreement for City Heights, mitigation measures appropriate for the short-term and long-term needs of schools as a result of project impacts.

COMPARISON OF CAPITAL IMPACTS AND POSSIBLE FUNDING SOURCES
CLE ELUM-ROSLYN SCHOOL DISTRICT (PAGE 37)

The Development Agreement to be negotiated between the City of Cle Elum and the project proponent will provide for funding options satisfactory to the School District to provide a means to finance the facilities needed to accommodate the growth in student population attributable to development of City Heights.

School District Comment #15: The Development Agreement to be negotiated between the City of Cle Elum, the project proponent and the School District

Response to School District Comment #15: The City acknowledges that the School District will participate in mitigation negotiations for impacts to schools that will become elements of the Development Agreement. This correction has been noted in the Errata Sheet (Final EIS Chapter 3), and in the final *Cle Elum City Heights Fiscal Analysis* (Property Counselors, November 2010).

Central Cascades Land Company
103 S. 2nd St.
P.O. Box 687
Roslyn, WA 98941
Tel: (509) 649-2211
FAX: (509) 649-3300

**CENTRAL CASCADES
LAND COMPANY**

June 7, 2010

Mr. Matt Morton
City of Cle Elum
119 W. First Street
Cle Elum, WA 98922

VIA Electronic Mail
eiscomment@gmail.com

RE: City Heights DEIS Comments

Dear Matt:

Central Cascades Land Company, Inc. (CCLC) offers the following comments on the City Heights DEIS.

① The DEIS (pg. 1-52) incorrectly states that CCLC has not demonstrated proof of water availability to serve the 90 acres proposed for future annexation. This is inaccurate as the proponent has secured water rights through a transfer approved by the WA DOE to serve the property.

② Cumulative Impacts: There appears to be no cumulative impacts analysis in the DEIS. Cumulative impacts will account for the potential development of nearby areas that are not related to the City Heights proposal. Such an analysis would assume that surrounding areas in Cle Elum would be developed under existing zoning or that approval of the City Heights project would provide the precedent for development of other lands under similar densities. The cumulative analysis of impacts from the City Heights project needs to be addressed even if specific development plans for surrounding properties have not been submitted.

It is appropriate under SEPA to consider cumulative effects with *probable development* of surrounding properties and under the circumstances, we believe cumulative impacts should be considered if adjacent and surrounding lands are developed: 1) under existing zoning; 2) under the County's PUD or PBCP provisions since development of City Heights under county jurisdiction could allow for similar development on other lands within the County's jurisdiction; and 3) under annexation of existing UGA properties to the City of Cle Elum. Each of these development scenarios of nearby lands are "reasonably likely to occur" and are not merely "remote or speculative." (WAC 197-11-782. In addition, the land area considered for cumulative impacts (CCLC, Cle Elum Pines Property, Cle Elum Partners Property) is too limited and should be broadened to consider probable development of those adjacent and surrounding parcels along the entire north border of the City Heights project that are NOT zoned for commercial forestry.

3

Transportation: Pg. 2-27 indicates that Alternative 1 would not require development of the North Hills Connector (a route considered in the City's Draft Transportation Plan) because, "the volumes of the Preferred Alternative and the potential diverted volumes for other City streets would not be sufficient to require this route..." Again, a meaningful analysis of cumulative impacts from the City Heights development may justify a different conclusion.

4

The Transportation Study Area and the analysis in Chapter 3.16 "Transportation," does not include the intersection of SR 903 and Alliance Road. This intersection needs to be analyzed since the DEIS (pg. 2-8) indicates that for Alternatives 2 and 3A, the primary access would be provided from Alliance Road. Figures 2.6-2, 2.6-3, and 2.6-4 do not depict the SR 903 - Alliance Road intersection but only provides a limited graphic of the route off the City Heights property. These figures should be expanded to show where the SR903-Alliance Road intersection is and a proposed route for connecting Alliance Road to the City Heights property.

5

Some analysis should also be done to address impacts at the Bullfrog Roundabout since that is another primary route to access City Heights.

6

Regarding Water and Sewer service, the City needs to identify its current capacity and future needs. Many feel that the existing WWTP was not adequately sized to handle future growth of the City regardless of the prospective UGA developments. We encourage the City of Cle Elum to do a comprehensive assessment in its Capital Facilities Plan that considers not only the City Heights project, but existing UGA properties as well, to assure a coordinated and well planned development of infrastructure and capacity to serve UGA properties.

7

We appreciate that the City's Water Policy allows for the purchase of City water hookups rather than requiring an applicant to secure and transfer all the water needed to serve an annexed property. The City has identified that it has approximately 840 Acre-Feet of "extra" water that can be purchased to serve newly annexed property.¹ If Northland Resources purchases water for 250-300 ERUs from the City, does the city have a clear expectation of how it wants to use its available water, i.e. how it wants to implement its Water Policy? Does the City want to prioritize sale of available ERUs for residential use? And how much water does the City expect to be needed to serve future commercial and industrial development?

Previous iterations of the City's now-adopted Water Policy (CMC 13.20) indicated that 200-300 acre-feet per year could be available to serve newly annexed property, with 100-150 acre-feet prioritized for commercial and industrial development and 100-150 acre-feet available for residential development to the City. While these numbers are not codified in the current Water Policy, Northland Resources' proposal to buy 250-300 ERUs equates to approximately 100-120 acre feet,² which is nearly the entire water allocation previously contemplated by the City for new residential development.

¹ Memo from Ken Ratliff to City Council, dated March 25, 2008.
² Assumes 350 gpd of water use per ERU; and 1 ERU = 895 gpd.

Given the limited amount of water rights that can be purchased to serve and mitigate for use on existing UGA property, the City should have a more comprehensive plan for prioritizing sale of its water on a per ERU basis, allocated to various uses and not just residential. Again, a meaningful cumulative impacts analysis would assist in addressing impacts and mitigation to assure city services to the city's expected future service area.

8

The limited capacity of the existing WWTP is a primary issue of importance and future expense for not only Northland Resources, but those other owners of UGA property expected to be annexed into the City. We agree that if and when improvements are needed to the WWTP, more advanced and efficient technologies should be explored.

9

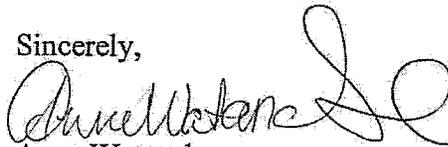
There should be more consideration of storm water management and preventing I/I flows into the city's system and more detailed provisions for protecting Crystal Creek, especially from Drainage Basin A and B (see Fig. 3.18.3-1).

10

For Alternatives that would rely on an independent Group A system with groundwater wells established under county jurisdiction, a cumulative analysis should be considered in terms of possible local impairment impacts to those adjacent and surrounding properties that may also utilize ground water wells. This is a separate analysis that would be done in addition to determining "water budget neutrality" as now required under the Department of Ecology's Emergency Groundwater Rule.

Thank you for the opportunity to provide these comments.

Sincerely,



Anne Watanabe

Vice President

Acquisitions & Development

RESPONSE TO COMMENTS SUBMITTED BY CENTRAL CASCADES LAND COMPANY

Response to CCLC Comment #1: Corrections regarding the status of the Central Cascades Land Company (CCLC) water rights to serve their 90-acre Industrial Parcel west of Alliance Road are acknowledged. Draft EIS page 1-52 has been revised by means of the Errata Sheet (Final EIS Chapter 3). The Final EIS Summary (Chapter 1 Section 1.6) includes the corrected information.

The water issue reported in the City Heights Draft EIS was derived from Cle Elum City Council Resolution 2007-11, addressing the CCLC request to be included in the Cle Elum Urban Growth Area. The water-related statement in Resolution 2007-11 was simply a statement of a condition to be satisfied at the time of inclusion of the CCLC property in the City's UGA. That property is now in the City's Urban Growth Area; annexation has occurred. The water issues pertaining to CCLC future land use will be addressed at an appropriate time in relation to future action on that property. This issue is unrelated to the City Heights proposal.

Annexing the City Heights site would not create contiguity between the City and the CCLC site, as reported in the Draft EIS cumulative effects analysis (Chapter 1 Section 1.5, pages 1-52 through 1-54).

Response to CCLC Comment #2: The cumulative effects section of the Draft EIS was prepared in accordance with the SEPA Guidelines (Washington Administrative Code excerpts cited on Draft EIS page 1-52), and as further clarified in case law: “. . . *the impacts of future development proposals must be cumulatively assessed only when the instant proposal would be a necessary antecedent for such potential future proposal*” (Boehm v. City of Vancouver, Volume 111 Washington Appellate Reports, pages 711, 720 (2002)). The scope of the cumulative impacts analysis described in CCLC Comment #2 would be more appropriate for a City-wide long-range planning document, not specific to the City Heights environmental review.

Response to CCLC Comment #3: See WSDOT Comment #9 regarding the North Hills Connector, and the response to that comment.

Response to CCLC Comment #4: Access options were described and preliminarily analyzed in the Draft EIS. When the City Heights west access route is confirmed, additional analysis will be performed to confirm mitigation requirements. Also see WSDOT Comments #3 and #6 regarding the Alliance Road intersection with SR 903, and the response to those comments.

Response to CCLC Comment #5: Traffic monitoring is performed at the SR 903/Bullfrog Road roundabout as part of the conditions of approval for the Suncadia project. Counts performed in February 2008 show that this roundabout currently operates at LOS A during the PM peak hour. Traffic entering the roundabout could quadruple (increase from the current entering volume of 442 vehicles per hour to more than 1,600 vehicles per hour) without reducing this level of service. Therefore, the small number of trips that City Heights could add to this intersection (less than 100 per hour) is not likely to affect its operation.

Response to CCLC Comment #6: CCLC Comment #6 is acknowledged. Capital Facilities planning for water and sewer systems is a City responsibility not undertaken during private-project environmental review under SEPA.

Response to CCLC Comment #7: CCLC Comment #7 is acknowledged. The City's Water Policy does not contain provisions for prioritizing the sale of available water resources by type of use (e.g., residential, commercial, or industrial development).

Response to CCLC Comment #8: CCLC Comment #8 is acknowledged regarding wastewater treatment plant capacity being of primary importance and future expense for not only Northland Resources but also other property owners within the City of Cle Elum UGA, as is CCLC's support for more advanced and efficient wastewater treatment technologies when improvements are needed.

Response to CCLC Comment #9: The City Heights development is not expected to be a significant contributor of infiltration/inflow to the City's sewage collection system as new system construction does not tend to leak to the same extent as aging systems. If the *Infiltration/Inflow Option* is selected (described in Draft EIS Chapter 2 Section 2.9.3 [page 2-24], and Chapter 3 Section 3.18.2 [page 3.18-4]) to create available capacity within the City's existing system to serve City Heights, additional analysis will be done on this issue during the design phase. More detailed provisions for stormwater management will be prepared during the design phase, when the site plan to be developed has been confirmed.

Response to CCLC Comment #10: Northland Resources is nearing completion of the water right permitting process through the Washington Department of Ecology for the City Heights property. The requested water right would be used to provide water supply to serve conceptual land use Alternative 1, 2, or 3A. The requested water right would authorize supply from off-site wells completed in highly productive Yakima River alluvial deposits. The potential for impairment of nearby water rights or wells has been evaluated as part of this process (in accordance with Ecology's requirements), with the conclusion that the proposed groundwater withdrawals would not result in impairment. In the unlikely event that Alternative 3B is selected for implementation, the water supply to serve this option (No Annexation: Development within the County under Multiple Ownerships) may be multiple water-right permit-exempt wells. The potential effect of multiple on-site permit-exempt wells on water levels at other nearby groundwater wells would likely require additional analysis if this alternative is selected.

June 7, 2010



Matt Morton
Community Development Director
City of Cle Elum
119 W. First Street
Cle Elum, WA 98922

Regarding: City Heights Draft Environmental Impact Statement

Thank you for the opportunity to comment on the Draft Environmental Impact Statement (DEIS) for the City Heights project in Cle Elum, Washington proposed by Northland Resources, LLC.

(A)

Suncadia LLC is the owner and developer of the Bullfrog Flats area (the "Cle Elum UGA" project), a permitted development in the City of Cle Elum that would add up to 1,384 additional housing units. Simply by residential unit count alone, the Bullfrog Flats project is very similar in scope and intensity to what is proposed in the City Heights DEIS, although the Bullfrog Flats project does have a larger business and commercial component. Regardless, many of the impacts of this project originate from the residential component and are comparable to City Heights.

(B)

As mitigation for the Bullfrog Flats project Suncadia has completed many community enhancing project components, including donations of land to the Cle Elum-Roslyn School District, the Washington State Horse Park and the City of Cle Elum. In addition, we have contributed heavily to the construction of the Cle Elum Potable Water Treatment Plant, the Regional Waste Water Elements including the treatment plant, sewer and water mains through the City of Cle Elum, a fire station in the City of Cle Elum, the regional solid waste facility, and off-site street improvements for the Washington State Department of Transportation and Kittitas County. These donations and improvements have been completed with up-front dollars to mitigate potential development impacts and to assure that the existing citizens and businesses of Cle Elum and the surrounding area were not fiscally burdened. In addition we were required to provide water balance neutral senior water rights to Cle Elum for the project, contributed to street repairs, participate in traffic monitoring and studies, contribute to the debt service for a fire station that serves more than our project's own impacts, City staffing subsidies, open space lands and parks, and numerous other mitigation obligations contained in the Development Agreement for Bullfrog Flats, which we incorporate in our comments by reference.

(C)

Significant portions of the City Heights DEIS appear to assume that the development can and will simply rely upon and take advantage of past and required future improvements, enhancements, and donations required of Bullfrog Flats without adding to, enhancing, or paying up-front for them as Bullfrog Flats was required to do. In doing so, City Heights is not proposing to fully mitigate all of the true impacts of the development, to the detriment of the existing and future citizens, Bullfrog Flats and Suncadia, and is required by Washington State Law. Specific examples of items not included as mitigation actions due to the assumption that Suncadia alone will carry the full burden of the accumulative impacts to include:

1. A dedicated affordable housing component, ongoing affordable housing inventory monitoring, and dedication of land for an affordable housing project.

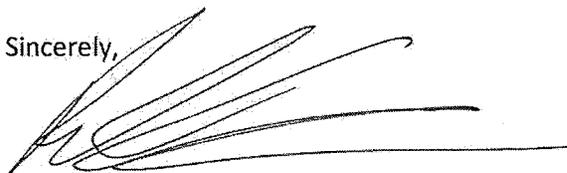
2. Donation of off-site land or restrictive easements and/or financial resources to mitigate impacts to plants and wildlife.
3. On-going traffic monitoring to assess the appropriate timing and necessity of traffic system improvements caused by cumulative effects.
4. Cle Elum fire station and Fire Department equipment contributions.
5. Direct support for KITTCOM, including funding of a dispatcher.
6. School district support including land donations and shortfall funding for classrooms and busses.
7. Improvements or funding of up-front costs related to the water treatment plant. The DEIS suggests that expansions are the City's responsibility and/or rely upon existing and future improvements by Suncadia for Bullfrog Flats without contemplation of an up-front financial contribution.
8. Improvements or funding of up-front costs related to the waste water treatment plant. Although the DEIS suggests many alternatives, likely alternatives rely upon existing improvements made by Suncadia for Bullfrog Flats without contemplation of an up-front financial contribution.
9. Solid Waste removal and contribution to the regional solid waste facility. There are no quantities of materials quoted in the document, making it impossible to evaluate impacts or the need for contribution to existing facilities or the construction of new facilities.

Ⓓ There are many statements in the DEIS indicating that the actual mitigation for a particular item will be determined during the negotiation of a Development Agreement with the City of Cle Elum. Since the impacts are not fully determined and quantified, and specific mitigation actions discussed for these, there is no way to accurately analyze the cumulative mitigation as required as part of the Environmental Impact Statement process. For example, one cannot determine exactly what is contemplated for contributions to the School District, the Fire Department, Cle Elum Public Works, and City administrative staff. In addition, exact impacts to and degree of capacity utilization of projects Suncadia has paid for on behalf of Bullfrog Flats, or contributed to with up-front dollars as part of required mitigation, cannot be accurately determined.

Ⓔ In all cases, City Heights should mitigate for any incremental usage of existing available capacity with up-front dollars. To do anything other than this would allow City Heights to not truly mitigate their impacts, and rather makes them beneficiaries of timing. In all cases where impacts from City Heights are cumulative with other developments, the mitigation for those impacts must be made a joint responsibility of all the impacting developments.

Ⓕ Suncadia LLC will continue to monitor the proposed City Heights project and evaluate the impacts as the details of the project come to bear, especially those areas that are not clear in the DEIS. We will comment in the future when currently unavailable details are made public. In addition, as an interested and potentially affected party, under WAC 197.11.455 we specifically request copies of all future documents submitted and notices provided to any and all parties.

Sincerely,



Paul Eisenberg
Sr. Vice President, Suncadia, LLC

RESPONSE TO COMMENTS SUBMITTED BY SUNCADIA

Response to Suncadia Comment A: The conceptual land use alternatives evaluated in the City Heights EIS range from 875 to 985 housing units – 29% to 37% less in scale than the residential portion of the Bullfrog Flats project. The neighborhood commercial component of the City Heights proposal in the range of 20,000 to 40,000 sf of convenience retail and professional office use is significantly different in quantity and character than the Bullfrog Flats commercial component.

Response to Suncadia Comment B: The City acknowledges and appreciates the community-enhancing projects listed in Suncadia Comment B as mitigation for the Bullfrog Flats project. Some of these were also completed as mitigation for the Suncadia Resort project.

Response to Suncadia Comment C: City Heights mitigation requirements will be determined through Development Agreement negotiations based on existing conditions and current needs within the City as a result of the anticipated impacts of this project. Where the project will cause an adverse impact, it will be expected to pay the cost of improvements to minimize or avoid such impacts.

Response to Suncadia Comment C-1: Draft EIS Chapter 3 Section 3.7.1 (page 3.7-4) describes the City Heights affordable housing proposal in the discussion of the relationship of the proposal to the Washington State Growth Management Act. This information is also provided in the Housing section (Chapter 3 Section 3.11, page 3.11-3). “Under City Heights land use Alternative 1 or 2, affordable housing will be a component of the proposed Planned Mixed-Use development. The City of Cle Elum Comprehensive Plan Land Use Element (page 7) defines affordable housing as “adequate, safe, appropriate shelter, costing no more than 30 percent (including utilities, taxes, insurance) of a household’s gross income. The median income of an area varies by locale.”

Response to Suncadia Comment C-2: The Draft EIS Wildlife and Habitats section (Chapter 3 Section 3.5) reports the results of database searches and review of the City and County Critical Area codes, as follows:

The site does not contain habitats of local importance as defined in the Cle Elum Municipal Code (CEMC 18.01.210). . . . Kittitas County Code (applicable to City Heights conceptual land use Alternatives 3A or 3B) makes provisions for the identification of habitats for species of local importance, but does not list any specific locations where such habitats are presently designated (KCC 17A.07.025). (Draft EIS page 3.5-1)

State and Federal databases and mapping resources were reviewed to identify presence on the site or use of the property by any State- and/or Federally-listed animal species. . . . None were found. (Draft EIS page 3.5-3)

Washington Department of Fish and Wildlife (WDFW) Priority Habitats and Species (PHS) database results (received dated June 2, 2009) identify only streams on the City Heights site as priority habitats. (Draft EIS page 3.5-3)

Although elk commonly use the area of the City Heights site, this property is not listed in the PHS database as an area of regular concentrations, overwintering habitat, or any other special designation as a high-value elk habitat according to the PHS database. Typically, identified and well-defined winter range areas or areas of elk and mule deer accumulations are noted as a unique and numbered as such. (Draft EIS page 3.5-4)

In the absence of priority habitats or species, or the presence of State- or Federally-listed threatened or endangered species on the City Heights, the City does not have a basis for requiring mitigation for impacts to plants and wildlife in the forms suggested in Suncadia Comment C-2.

Response to Suncadia Comment C-3: See response to comments submitted by the Washington State Department of Transportation (WSDOT). Monitoring is recommended for three intersections where traffic signals may be warranted in the future.

Response to Suncadia Comment C-4: Draft EIS Chapter 3 Section 3.17.2 (pages 3.17-10 through -12) describes the potential impacts of the development reported by the City Fire Chief and preliminary calculations of tax revenues that will be available to fund additional manpower. City Heights mitigation requirements for the Cle Elum fire station and Fire Department equipment will be determined during Development Agreement negotiations between the City including its Fire Chief, and the project proponent.

Response to Suncadia Comment C-5: The Draft EIS reports in Section 3.17.2 (page 3.17-19) that tax revenues generated by the City Heights development would generate approximately \$105,000 per year for jail and dispatch costs. Similar to the response to Suncadia Comment C-4, mitigation costs for emergency aid and law enforcement dispatch through KITTCOM will be negotiated in the Development Agreement.

Response to Suncadia Comment C-6: School District representatives will participate in Development Agreement negotiations to determine equitable mitigation for City Heights to fund additional classroom capacity, school bus transportation, and contribute to the operating budget. See comments submitted by the Cle Elum-Roslyn School District and the response to those comments.

Response to Suncadia Comment C-7: The Draft EIS describes the affected environment by identifying existing municipal facilities, including the City's water treatment plant system, its capacity and limitations, as well as agreements that affect such capital facilities. The Draft EIS recognizes that there are existing agreements in-place that affect the determination of responsibility for future improvements to the City's water treatment plant. Options for potable water treatment and delivery to the City Heights development are discussed in the Draft EIS, but selection of the final approach has not yet been confirmed. The possibility that City Heights may not use the City's water treatment plant is also noted in the Draft EIS (Chapter 3 Section 3.18.1, page 3.18-9). To the extent that additional environmental review of the selected option is required under SEPA, appropriate review will be conducted. Appropriate water treatment provisions and appropriate mitigation, including cost allocation there for, will be negotiated with the project proponent in conjunction with preparation of the Development Agreement for the City Heights project.

Response to Suncadia Comment C-8: The Draft EIS describes the affected environment by identifying existing municipal facilities, including their capacity and limitations, as well as agreements that affect such capital facilities. The capacity of the City's existing wastewater treatment plant (WWTP) is presently fully allocated to parties in the Upper Kittitas County Regional Wastewater Facilities Project Agreement. Options for sewer service to the City Heights development are discussed in the Draft EIS, but selection of the final approach has not yet been confirmed. Depending on the alternative selected, City Heights may have cost responsibilities for improvements to the existing WWTP. To the extent that additional environmental review of the selected option is required under SEPA, appropriate review will be conducted. Appropriate wastewater treatment and appropriate mitigation, including cost allocation there for, will be negotiated with the project proponent in conjunction with preparation of the Development Agreement for the City Heights project.

Response to Suncadia Comment C-9: The City of Cle Elum plans for solid waste management, and contracts with Waste Management of Ellensburg for collection and disposal. Waste Management of Ellensburg was contacted during preparation of the City Heights Draft EIS to discuss the potential impacts of the City Heights development on manpower, equipment, transfer stations and disposal sites for solid waste and recyclable materials that would be generated by the project. As noted in the Draft EIS, based on that contact, Alternative 1 or 2 (City Heights development within the City of Cle Elum) would approximately double the number of existing accounts within the Cle Elum service area. The EIS does not identify a significant unavoidable adverse impact as a result of the project, and does not project a need for added manpower or equipment to serve phased build-out of the project over 6 to 12 years, as Waste Management of Ellensburg has additional resources available if needed (see Draft EIS Section 3.18.7, page 3.18-43).

Response to Suncadia Comment D: The Draft EIS evaluated a range of conceptual land use alternatives for the City Heights development. The preferred alternative has not yet been confirmed, as it will be determined in part by the Development Agreement negotiations. It is acknowledged that it is presently impossible to determine exactly what is contemplated for contributions to the School District, the Fire Department, Cle Elum Public Works, and City administrative staff, or the degree of City Heights capacity utilization of capital improvements.

Response to Suncadia Comment E: The impacts to the City of Cle Elum as a result of the proposed City Heights project have been evaluated taking into consideration Cle Elum's current boundaries, its natural environment, and both its built environment and that development which is authorized by contract, agreement, plat, site plan or other binding land use device but which is not yet completed. Upon any annexation, the subject lands and the attendant agreements that enable its development become part of the makeup of the built, natural and fiscal elements of the City of Cle Elum. If and when the City Heights project is annexed into the City, its lands, and attendant agreements (including the Development Agreement contemplated by the Applicant underlying this Draft EIS) will become part of the City of Cle Elum and not subject to renegotiation each time new land is proposed for annexation and development within the City. This is consistent with the concepts of concurrency and vested rights. In Washington, the Legislature's GMA goals, the Washington Administrative Code (WAC), various subdivision statutes, and a large body of case law either encourage or require provision of a broad range of facilities and system improvements prior to development approval in order to ensure that when the development that is authorized actually occurs, the facilities necessary to service that development, or plans for its development, are in place. See, for example, RCW 58.17.110, Washington's subdivision statute, which requires local jurisdictions to find that "appropriate provision" is made for "open spaces, drainage ways, streets or roads, alleys, other public ways, transit stops, potable water supplies, sanitary wastes, parks and recreation, playgrounds, schools and school grounds," sidewalks and other facilities, prior to subdivision approval. Each application for annexation must evaluate the City as if the City has already made adequate provisions for the development already authorized so that regardless of whether the newest annexation is approved or not (and whether that land is built out or not), there is no reduction in the City's ability to meet the infrastructure needs of its residents concurrent with population growth. This is a process that does not provide for renegotiating all of the plats, subdivision approvals, site plans, development agreements and other binding land use devices that are already in place for lands already in the City, whether built or not. Those rights and obligations are vested, and ensure that services will be provided at least concurrently with demand regardless of future annexations.

To the fullest extent possible, the Development Agreement with the Applicant will take into consideration all the existing and approved land uses within the City to address the Applicant's proportionate share of those impacts it causes to the existing city (as developed and approved). The Development Agreement will seek to correlate the mitigation measures included therein with to the timing of the City Heights impact to the extent practicable.

Response to Suncadia Comment F: The City acknowledges that Suncadia, LLC will continue to monitor the impacts and mitigation requirements of the proposed City Heights project as the proposal is refined for implementation and the terms of the Development Agreement are formulated.

2.2 Comments Received from Individuals and the City's Response

Letters received from ten individuals during the City Heights Draft EIS comment period are reproduced in this section, followed by the City's response to each comment. Individuals from whom written comments were received include:

Diedre Link

Mary Lutz

Kathleen Nesse

Chuck Oxley

Christine Oxley

Brad Page

Bonnie Reay

Kathy Stancik

Judy and John Waldenmaier

Pat Woodell

A public meeting was held during the Draft EIS comment period on May 13, 2010 at the Walter Strom Middle School. Ten persons attended the meeting, which was conducted as an informal question and answer session. The issues discussed are listed below, and include both the questions and responses given by the City and the developer. No comments were formally submitted during the meeting.

- Roads, infrastructure: Timing, character, maintenance responsibility.
- Assessments, fees, developer cost responsibilities for this development.
- When will it be confirmed at which end of the site development will begin?
- Number of single-family lots?
- Geared toward weekenders or permanent residents?
- The type of residential units to be built will respond to market demand.
- Cottage-style character contemplated; snow loads will drive architectural requirements.
- Lot sizes, home sizes will be similar to existing in town.
- Affordable, modestly-priced neighborhood: detached homes in the range of \$300,000 to \$400,000; attached dwelling units in the range of \$165,000 to \$205,000.
- Objective to integrate with the existing community; desire to create the feeling that you've never left the City, just entered an extension of the City.
- Public access, small-town character, consistent sense of place.
- Has the City looked at communities where successful integration has occurred (such as Bend, Sun River Redmond, Prineville, Oregon)?
- May do some joint ventures with other developers with the intent to maintain influence over the character of development. Covenants, Conditions and Restrictions (CC&Rs) and private design guidelines (to be reviewed by the City) will run with the land.
- The City will negotiate the Development Agreement in a manner that if others besides Northland Resources become involved, the City will be assure of the character and mitigation they need.
- Neighborhood commercial uses: Encourage small-scale mini storage to support the development.
- Second grocery store: Likely would be located within the Bullfrog Flats development, not City Heights.
- Employers looking at Cle Elum want to know where their employees are going to live.
- Anticipate some City Heights residents would work in Issaquah or the Kent Valley.
- What is the economic basis to support this number of housing units?
- Kittitas County Economic Development Director sees this as a recreation-based economy.
- It is becoming more common for people to work out of their homes.
- Small businesses like to locate where they live. When they find a nice place to live, they bring their business with them.
- Annex in phases? Not proposed, not desirable from the perspective of the overall fiscal analysis.
- Supportive comments: Cle Elum needs this development.



City of Cle Elum <eiscomment@gmail.com>

Matt Morton, CD Director

1 message

deidre link <linkdal@televar.com>

Mon, Jun 7, 2010 at 4:29 PM

To: eiscomment@gmail.com

Dear Mr. Morton,

I hope you will accept my comments for the record on the the DEIS. I thought I had until 5:00 PM today, 6/7/2010.

1

The DEIS contains alot of very good information on the proposed project and alternatives. My concern with the DEIS is the discussions of the impacts, which are primarily about what if the proponent does not get his prime objective. For instance, if option #1 is appoved x-number of cubic yards of dirt will need to be moved.

2

If option #2 is approved instead x-number less cubic yards will need to be moved, etc. on through the other options. What I want to know is the IMPACT on the land, the environment, wildlife and citizens of Cle Elum. The DEIS reads more like a fleshed out SEPA checklist than what the actually impacts on the environment will be.

Thank you for this oppourtuny to comment.

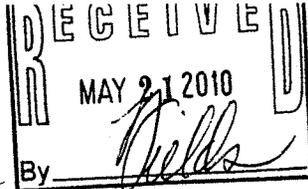
Regards,

Deidre Link
560 Hawk Haven Rd.
Cle Elum WA 98922

RESPONSE TO COMMENTS SUBMITTED BY DEIDRE LINK

Response to Deidre Link Comment #1: The Washington State Environmental Policy Act (SEPA) Guidelines require the EIS to evaluate the potential impacts of the proposed action through comparison of alternatives for achieving the objectives of the proposal on the site (WAC 197-11-440[5]). The City acknowledges that this is not a customary form of reading for persons not routinely engaged in land use and environmental review processes. The information requested in D. Link Comment #2 is provided in the Draft EIS. See the response to Comment #2, below.

Response to Deidre Link Comment #2: The potential impacts of the City Heights conceptual land use alternatives on the land, environment, wildlife and citizens of Cle Elum are described in Chapter 3 of the Draft Environmental Impact Statement. Discussion of these specific elements can be found in Chapter 3 Section 3.1 (Earth), Sections 3.2 through 3.4 and Section 3.9 (Air Quality, Water Resources, Wetlands and Streams, and Noise); Section 3.5 (Wildlife and Habitat); and Sections 3.10 through 3.14 (Population, Housing, Light and Glare, Aesthetics, Parks and Recreation). The elements of the environment evaluated in the Draft EIS are specified by the Washington State Environmental Policy Act Guidelines (WAC 197-11-444). Efforts were made to describe potential effects at a human scale, in the context of residents of the area.



Cle Elum, Wa
May 19, 2010

Mr. Matt Norton
Cle Elum City Hall.

Dear Mr. Norton:

I would like to express my thoughts regarding the City Heights development.

I live on 6th Street and am very concerned about the erosion problem. Because so many trees have been removed in that area, we are already feeling the effect.

The soil is very sandy and does not hold water. During heavy rains and snow-melts, especially the last 2 years, sand and water have run down the hill, causing actual gullies, road wash outs, and flooded basements.

This project will not only affect the residents of the hill, but the whole city of Cle Elum.

Many areas in the State of Washington have already felt the impact of too much tree removal, especially Chehalis.

Sincerely
Mary Lutz

RESPONSE TO COMMENTS SUBMITTED BY MARY LUTZ

The City of Cle Elum acknowledges the concern described in the Mary Lutz comments regarding existing problems that occur as a result of seasonal runoff from the site. The permeability of site soils and moderate to severe erosion hazard on most steep slopes along the southern site boundary are reported in Draft EIS Chapter 3 Section 3.1 (pages 3.1-14 and 3.1-16).

Site development will be required to comply with applicable City and State regulations to eliminate or minimize erosion from existing unstable soil areas of the site through accepted engineering design standards and prudent construction practices. Measures proposed to address these requirements are described in Draft EIS Chapter 3 Section 3.1 (page 3.1-17), and Section 3.18.3 (pages 3.18-30 through 33).

The City has asked Northland Resources to have a baseline assessment conducted by a qualified professional engineer to identify existing problems with surface drainage or groundwater seepage downstream from the City Heights property, to be used to evaluate project effects as development occurs.

Also see Kathy Stancik Comment #1 and the response to that comment.

City of Cle Elum
119 West First Street
Cle Elum, WA 98922



Telephone: (509) 674-2262
Fax: (509) 674-4097
eiscomment@gmail.com



Public Comment

City Heights Planned Mixed-Use Development Draft EIS

Please submit written comments to the attention of Matt Morton, Community Development Director, by **3:00 PM** on **June 7, 2010**. There will be additional opportunities to comment during the development approval process.

On June 13, 2009 Cle Elum experienced torrential rainfall for one hour.

In that time, several downtown business' had 4 inches of standing water in their establishments. I live on the hill directly above the library and across the street from Darrell Ellis I had 4-5 inches of standing water in my basement.

So my concern is water runoff after the vegetation above me is pulled out and everything asphalted over. The developer can make all kinds of promises; not keep them, be fined for not doing so and still walk away with tons of money in his pocket.

Is this city, county and developer prepared for lawsuits after our homes are damaged or destroyed by water or landslides. Yes, you install all those holding ponds but water still runs downhill and Cle Elum business' and homeowners will suffer. Think rationally and use common sense, Mr. Morton, before you give the OK. You pull the vegetation, cover with asphalt on top of a hill mother nature will still do her thing and wreak havoc.

Look around you and see whats happening around our world with climate change. Look at how our weather has changed here in Cle Elum in the past few years; and so far this year with the numerous rain storms.

The city is hurting now financially and class action lawsuits will destroy this town and your job. USE COMMON SENSE IN THIS DECISION!!

KATHLEEN NESSE

103 E. 5th

Name

Address

I would like to receive e-mail notifications regarding the City Heights Planned Mixed-Use Development proposal and EIS.

I have no e-mail but can pick up the info at City Hall

e-mail address

P.S. HERE IT IS 1 YR LATER AFTER THAT TORRENTIAL RAINFUL AND MY BASEMENT HAS NOT FULLY DRIED OUT. TRYING TO GET RID OF MOLD IS ALMOST IMPOSSIBLE. THE CITY SHOULD STEP UP AND HELP ME FINANCIALLY AND PHYSICALLY - I ASKED THE CITY 6 YRS AGO TO FIX -

Liffyn st. in front of my house & The Brooms, so
The water would flow into the catch basin. No
such luck. So after the damage last year they
finally leveled the street somewhat, ~~five~~ five yrs.
too late!

RESPONSE TO COMMENTS SUBMITTED BY KATHLEEN NESSE

The City of Cle Elum acknowledges the concern described in the Kathleen Nesse comments regarding existing problems that occur as a result of seasonal runoff from the site. See the preceding response to comments submitted by Mary Lutz, and the response to Kathy Stancik Comment #1 (further below in Final EIS Section 2.2).

The post-script provided in Ms. Nesse's comments, while not pertinent to the City Heights Draft EIS, has been forwarded to the City of Cle Elum Public Works Director.

**PUBLIC COMMENT
CITY HEIGHTS PLANNED MIXED-USE DEVELOPMENT DRAFT EIS**

SECTION 3.18.1 WATER SERVICE

COMMENT:

1. Does the proposed water service count on such water as they just obtained from Henshaw 6/2010? Or are they planning use other water currently held by the Northland Resources, LLC? Apparently they are very good at obtaining water rights since they were on of the LLC's referenced and had an attorney at a recent seminar telling developers how to buy water rights from people just like those in Cle Elum. See attached A
2. See attached article (B) regarding Roslyn and shutting off water. *What are the guarantees the water happens to Cle Elum?*

This area of the study is quite in depth with a lot of fill and as I emailed Matt Morton I believe that this requires more time for those that are commenting on the report. I for one have submitted information to an engineering company that is well versed in water/sewer and parks/recreation/open spaces because I do know they are not tied into any LLC in Washington State.

SECTION 3.16 TRANSPORTATION SYSTEM

COMMENT:

1. This study does not address the roads to be used by construction traffic and trucks with very heavy roads.
2. This study does not address what will happen to the hillsides these roads are on with this increased volume and weight.
3. This study does not address the impact on the homes built above the roadways with the increased traffic.
4. I for one do not want any increase in traffic on Stafford. I do not want to see any change to Stafford – any change impacts my enjoyment of my home.
5. I do not want to live in an area such as Issaquah. What developers did to that area is a crime.
6. My questions on the last comment form were not answered regarding who is responsible for damage done to my home by settlement resulting from damage to Stafford?

**WATER TRANSFER WORKING GROUP PROJECT DESCRIPTION
AMENDED 2010-06-HENSHAW**

APPLICATION NO./COURT CLAIM NO. Court Claim No. 00365		
APPLICANT NAME Northland Resources, LLC	CONTACT NAME Dave Blanchard Lisa Pelly (WRC)	TELEPHONE NO. (509) 674-6828 (509) 888-0970
WATER RIGHT HOLDER'S NAME (if different) Hazel and Bernard Henshaw		EMAIL LPelly@TU.org dblanchard@sapphireskies.net

DATE OF APPLICATION (amended March 1, 2010)	PRIORITY DATE June 5, 1886
---	--------------------------------------

WATER SOURCE: Yakima River 750 feet south and 1150 feet east of the north quarter corner of section 35, being within the SE1/4NW1/4NE1/4 of section 35, T. 20 N., R. 15 E.W.M.	CROP: Alfalfa
INSTANTANEOUS QUANTITY: Irrigation - 1.5 CFS Stock - .02 CFS Conveyance - .30 CFS	ANNUAL QUANTITY: Irrigation - 450 acre-feet Stockwater- 3 acre-feet
PERIOD OF USE: April 20 - September 30 Stock water, year round	
PLACE OF USE: S1/2S1/2 of Government Lot 3, Government Lot 4, and the SE1/4SW1/4, except the SE1/4SW1/4, All in Section 30, T. 20 N., R. 16 E.W.M.	PURPOSE OF USE: Irrigation, Stock, Conveyance
IRRIGATION METHOD: Wheelline	

CONSUMPTIVE USE CALCULATION:
Using the equations for total and consumptive use (CU) in Ecology's Guidance 1210, consumptive use per acre can be calculated as the total irrigation requirement (TIR) times the percent evaporation (%Evap) plus the crop irrigation requirement (CIR). Multiplying by the irrigated acreage gives the total consumptive use, as follows:

$$CU = (TIR \times \%EVAP + CIR) \times \text{Acreage}$$

For the 2005 irrigation season, estimated total water use was 178 acre-feet for irrigation

of 57.7 acres, resulting in a TIR of about 3.1 acre-feet per year per acre (afy/acre).

A CIR for alfalfa of 23.55 inches (1.96 afy/acre) was calculated using the Food and Agriculture Organization of the United Nations Irrigation and Drainage Paper No. 24 (FAO-24) Blaney-Criddle method and climate data from the National Weather Service station in Cle Elum.

The property is irrigated using wheel lines, for which Guidance 1210 recommends a %Evap of 10 percent.

Applying these values, consumptive use associated with irrigation use under this right is estimated as:

$$CU = (3.1 \text{ afy/acre} \times 0.10 + 1.96 \text{ afy/acre}) \times 57.7 \text{ acres} = 131 \text{ acre-feet per year}$$

this equates to a consumptive use per acre of about 2.3 afy/acre.

Following the 2005 irrigation season, 6.5 afy of consumptive use was sold, leaving 124.5 afy of consumptive use available for continued irrigation or transfer to other uses.

NARRATIVE DESCRIPTION OF PROJECT:

PROJECT UPDATE:

2010-06-Henshaw was brought to the Water Transfer Working Group (WTWG) on December 3, 2009. This was one of three proposals (other proposals, 2010-05 Newton and 2010-07 Pasco) Northland Resources, LLC requested approval from the WTWG. 2010-05 Newton and 2010-07 Pasco were approved at that meeting.

The WTWG requested Northland Resources bring back the Henshaw proposal when agreement with Ecology and Mr. Henshaw on the number of irrigated acres being fallowed and the consumptive use quantity available for the Henshaw right was reached. Agreement has been reached between the parties and Northland Resources is requesting approval on this project.

Henshaw sold 6.5 afy of consumptive use under this water right in 2005, leaving 124.5 afy of consumptive use available for continued irrigation or transfer to other uses.

Under the proposed transfer, Northland Resources intends to transfer 89 afy of consumptive use, or water sufficient to irrigate 39 acres, to the State Trust Water Right Program (TWRP) This leaves 35.5 afy of consumptive use available for continued irrigation of 15.5 acres at the property. All other lands will be fallowed. Should additional consumptive use be transferred to the TWRP, the acreage remaining under irrigation would be reduced correspondingly, at a rate of about 1 acre for every 2.3 afy of consumptive use transferred.

ORIGINAL APPLICATION

This Trust Water Right Application is one of three applications being filed by Northland Resources to place existing water rights in the state's water right trust program as part of a water mitigation bank proposal (Water Plan). The Water Plan proposes to use the trust water rights program under Chapter 90.42 RCW to hold these water rights in trust for mitigation credit to offset consumptive use of new water right appropriations. As part of this Water Plan, Northland Resources is filing Applications for Water Rights for new water right permits to cover the future water needs for seven independent projects in and around the City of Cle Elum.

The Water Plan will be water budget and TWSA neutral. The consumptive uses associated with Northland Resources proposed projects will be fully mitigated by the consumptive use portion of existing water rights placed into trust and through the release from on-site storage during the non-irrigation season.

Northland Resources has control of existing irrigation water rights totaling 218 afy of consumptive use based on a recent evaluation of beneficial use. These are pre-1905 surface water rights from the Yakima River and two unnamed tributaries. The water rights include adjudicated rights confirmed by the February 13, 1997 Conditional Final Order for Subbasin 2 (Easton) in *Ecology v. Acquavella* general stream adjudication.

The estimated total consumptive use associated with all of North Resources proposed projects will not exceed the consumptive use quantity placed into trust. The seven independent Northland Resources projects will require water supplies through either

private systems or through the City of Cle Elum water system. Approximately sixty percent (60%) of the combined consumptive water usage of the projects will be within the city limits of Cle Elum and therefore served by public water and sewer. Each of the projects is at or near the property where the water rights currently authorize the use of water.

Northland Resources proposes to construct lakes for on-site storage to mitigate for the out-of-season consumptive use on flows in the mainstem Yakima River. By storing excess water available under the four water rights during the irrigation season, then releasing stored water outside the irrigation season to offset estimated increased out-of-season consumptive use.

WTWG Project form

ROSLYN - When he talks about water, Joe Peck makes little effort to hide his irritations about the impact of what he thinks is out-of-control development on water resources already stretched thin.

Peck should know.

He's been water superintendent in Roslyn since the late 1980s. The city's water system supplies Roslyn, Ronald and the Cle Elum-Roslyn School District.

In 2001, drought in the Yakima River Basin prompted a water crisis for Roslyn. The city has a water right on Domerie Creek dating back to 1908. As it turns out, that's not long ago enough because Roza Irrigation District has water rights on the Yakima River dating back to 1905. (The Domerie ends near the Cle Elum River and the Cle Elum River empties into the Yakima River.)

Under the law, senior water right holders have priority over junior water right holders.

In 2001, "we got notified that our water rights were being shut off," Peck says.

"Suncadia gave us some water they had in excess and bailed us out," Peck says. "Three times since 2001 we've been shut off."

To help the city find a permanent fix, the U.S. Bureau of Reclamation recommended that Roslyn find and purchase a water right senior to the 1905 right. The city got a \$400,000 grant from the state Department of Ecology and has purchased a 200-plus acre-feet water right from Currier Creek in Ellensburg. The water right is dated in 1875. But the transfer has yet to happen because it faces a legal challenge.

"Three irrigation districts have tied it up even though Ecology approved it," Peck says. "They're claiming impairment since we bought a water right down river from where they are. They have us tied up legally."

(If a drought occurs in the near future, the city does have permission to use the newly purchased water right until the transfer is accomplished, Mayor Jeri Porter says.)

In the meantime, the city hopes that a memorandum of understanding being worked on between the federal Bureau of Reclamation and the Department of Ecology will resolve the conflict over water.

As for Peck, "my hope is that someone from the state will get sensible and decide what poor public policy this is," he says of the situation Roslyn faces in drought years. "You can't shut off a municipal water supply. Our citizens don't deserve this. The reality is, I'm never shutting it down. I live here, too."

The major issue, Peck says, is rapid development and the skyrocketing numbers of permit-exempt wells (wells that draw less than 5,000 gallons a day) being put in by developers.

Critics like Melissa Bates, a member of Aqua Permanente, a citizens group that has filed for a countywide moratorium on exempt wells until the actual groundwater supply can be determined, argue that developers have been using multiple wells in place of the water right they are supposed to have.

"If an old, established city like Roslyn has to stand in line for their water and is in danger of being cut off, then these new developments that come in and become dependent on a water supply are no small matter," Bates says. "But how do you fix this after the fact? We live in county that is developing semi-arid locations like crazy, yet we know little about the groundwater in the county. We haven't begun to quantify what is available, much less determine what is sustainable usage."

Peck points to the large number of three-acre parcels carved by Sapphire Skies out of land once held by Plum Creek Timber Co.

"It was the conversion of resource land into low-density sprawl," he says. With a finite groundwater supply, continued development will take its toll, he warns.

"They're building new houses in all directions," says Peck.

"If they (officials) don't put the brakes on development of well water around here you're going to see a year when everybody runs short. If it can happen to us, it can happen to you."

It comes down, he says, "to politics and money. The developers will develop. The residents of the county will get stuck with the problem."

There's a bitter irony, he says, to the idea that in a water crisis Roslyn, with a long-established water right, might still be without water while new homes going in on exempt wells would have it.

"It would be laughable," he says, "if the joke weren't on us."

RESPONSE TO COMMENTS SUBMITTED BY CHUCK OXLEY

Response to Chuck Oxley Water Service Comment #1: Attachment A to Mr. Oxley's comments is the Washington Department of Ecology project description for the water right transfer from Hazel and Bernard Henshaw to Northland Resources, LLC. Water rights lose their identity when they go into the water bank and become standardized mitigation credits. It is not determinable which water rights in the bank mitigate which projects.

Response to Chuck Oxley Water Service Comment #2: The City of Cle Elum has a suite of certificated and contact, surface and groundwater rights, including the right to divert and use waters from the Yakima and Cle Elum Rivers. Consistent with the *City of Cle Elum and Town of South Cle Elum Comprehensive Water Plan*, these rights are expected to provide the City with an adequate supply to serve existing residents and growth within the communities in the foreseeable future. The Northland Resources water rights to be used to serve the City Heights development are pre-1905 surface water rights from the Yakima River and an unnamed tributary, placed into the State Trust Water Right Program, and will have mitigation measures determined by the Washington Department of Ecology to provide a sustainable supply to the City Heights project without adverse impact to other water right holders in the Yakima Basin. Also see the response to Kittitas County Water District #2 Comment #3, and the response to Central Cascades Land Company Comment #10.

Response to Chuck Oxley Transportation System Comment #1: The Draft EIS Transportation section reports on page 3.16-6 that construction haul routes have not yet been selected because these will depend on the location of disposal sites for excess material to be removed from the site, and the location of quarry sources of fill to be imported. Finalization of those locations occurs during the course of site plan approval. A commitment is made in Draft EIS Chapter 2 (page 2-27) to address haul routes with the Public Works Director prior to the commencement of construction.

Response to Chuck Oxley Transportation System Comment #2: The purpose for addressing haul routes with the Public Works Director is to assess potential impacts to City and County roadways, and to identify mitigation requirements. Also see the response to Kittitas County Department of Public Works Comment #3A.

Response to Chuck Oxley Transportation System Comment #3: These potential impacts will be taken into consideration by the City during the design phase when actual road alignments and building sites are identified.

Response to Chuck Oxley Transportation System Comment #4: Mr. Oxley's preference for no change to Stafford Avenue is acknowledged. Also see Brad Page Comment #4 and the response to that comment, and Kathy Stancik Comment #2 and the response to that comment (later in this section).

Response to Chuck Oxley Transportation System Comment #5: Mr. Oxley's preference to not live in an area such as Issaquah is acknowledged. The Draft EIS does not equate the City Heights development proposal to Issaquah.

Response to Chuck Oxley Transportation System Comment #6:

The City Heights EIS addresses probable significant unavoidable adverse impacts to the built and natural environment that could result from the City Heights proposal, in accordance with Chapter 43.21C RCW and regulations promulgated thereunder. Mr. Oxley's question about legal liability for a prior event is unrelated to this EIS. While the comment is acknowledged, the City cannot, as a matter of law or fact, answer it through this environmental review document.

**PUBLIC COMMENT
CITY HEIGHTS PLANNED MIXED-USE DEVELOPMENT DRAFT EIS
FACT SHEET**

SECTION 3.11 HOUSING

Page 3.11-1 Paragraph 6 *"Many factors that contribute to the cost of housing are beyond the control of the City of Cle Elum. Housing costs are influenced by land costs....."*

(A) COMMENT:

The demand for housing and the cost of housing in Kittitas County is no different than most counties in the State of Washington and that is why it is so important to take a look at the following:

1. Net Migration component of population change. **Attachment A** shows the Net Migration in the State of Washington to have dropped significantly. In other words the State has not grown in the past 3+ years but has lost residents and the outlook for this year and next year is minimal at best.
2. Home Sales for 2005 through the first quarter of 2010 shows the greatest spike in homes sales to be for homes in the \$800,000.00 range in 2008 – unfortunately this does not match the salary range for the people of Cle Elum. **See attachment B.**
3. According to the OFFICE of FINANCIAL MANAGEMENT Annual April 1 Population and Components of Population Change: 1990 -2030 show a continual decrease in Washington State population. It would seem that the demand for more housing to accommodate growth isn't necessary. **See attachment C & D.**

Page 3.11-2 Paragraph 2 *"In order to accommodate projected population growth....."*

(B) COMMENT:

1. Attachment E shows the proponents of the City Heights proposal have by one LLC or another LLC have developed the following communities/housing areas:

Timber Cove
Timber Ridge
Bell Creek
Meadow Ridge
Ponderosa Pines
Brookstone
Little Creek
Evergreen Park
Tillman Creek
And others

What percentage of these developments have sold in proportion to what was planned?

What was the average sales price of the home?

Is the purchaser a full time resident?

How many foreclosures have there been?

What financial gains did the City of Cle Elum gain from these developments?

What has the cost been to the City as a result of these developments?

Do these developments not decrease the number of homes that are being stated as needed?

2. At the time of the Cle Elum Comprehension Plan the impact on the Baby Boomer income (the largest holders of expendable income) by the financial disaster that occurred the past couple of years, the impact of a collapsing housing market across the United States and the decrease in Washington State population was not factored in so I do not believe that the figures that are being stated are correct.

Page 3.11-3 Paragraph 2 "Contractors could be encouraged..."

(C) COMMENT:

Through out this paragraph the word COULD is used which tells me that "Possible Mitigation Measures" are not being addressed as they should be. This should not be left so ambiguous.

I believe they are using the word could as an auxiliary to indicate a possibility or maybe as an auxiliary to indicate suggestion of a course of action. In other words no course of action or definite action by the proponents.

(D) GENERAL COMMENT:

I would like to leave you with the following three statements.

Peter Jennings, News Anchor, Author " *What upset me the most was the industrial destruction of our environment I had nightmarish visions of our oceans covered with an oil slick, a black death coating everything. I saw our forest balded like so many marines' shaved heads. All of this to make more highways and condominiums?*" He wrote this many years ago, when he walked across America and today the news tells of continual destruction from the oil rig disaster and if you look at the mountains you travel to the coast you will see the "balded mountains" and if you look at what has happened to Issaquah and its old core you will see Mr. Jennings was right. We need to keep our vision to the future and what we leave to future generations not be ashamed of what we see in our rear view mirror.

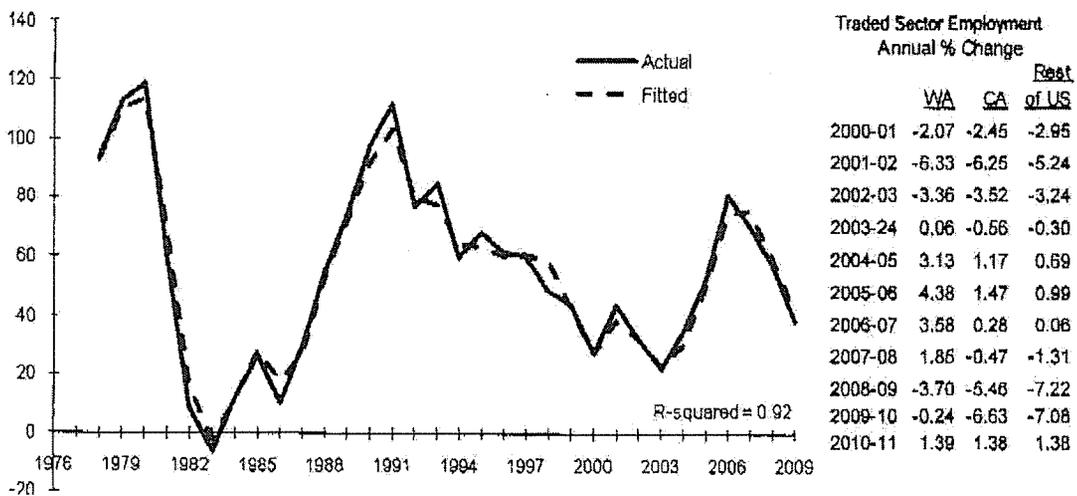
Sean Northrop said in an interview with the Seattle times that "For years Northrop hiked the thousand of acres of Sapphire Skies. He knew the perfect spot, a place where the land bends around the land. Then he needed the perfect place: not too fancy or precious. "I wanted two things: I wanted it to fit the ground. I saw houses where nobody gave any respect to the land, especially because you're getting out of the city" It is a shame that he doesn't leave land for others to hike and City Heights doesn't appear to meet the same two things he wanted for his home.

"At present, in this vicinity, the best part of the land is not private property. Let us improve our opportunities before the time comes when this land is portioned off into so called pleasure grounds, in which only a few will take a narrow and exclusive pleasure." Thoreau

Due to the fluctuating nature of increases in births, no adjustment was made to long-term fertility rates because a valid trend could not be established.

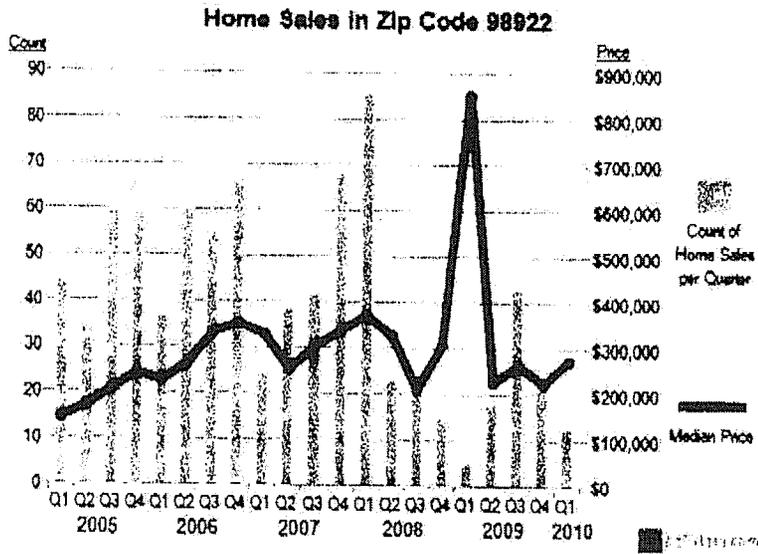
2. **Deaths:** Annual deaths, in terms of life expectancy, have shown recent improvement nationally and in Washington. Annual deaths in Washington have shown minimal increases since 2000. Survival expectations were adjusted upward using Social Security Administration projections in the fall 2007 forecast and were kept constant this year.²
3. **Net Migration:** Net migration is an important, but difficult to predict, component of population change. While factors, such as military personnel and retirement migration, account for a small proportion of net migration, the majority of interstate population movements are job related. The state's future net migration is based on an econometric model where Washington's relative attractiveness to job seekers is weighed against the attractiveness of California and other state destinations. However, when the state's employment change level turns negative, like much of the rest of the nation, Washington loses its "pulling" strength. Figure 1 indicates that even though Washington is still doing relatively better than California and the nation as a whole during the current recession, the negative job growth offers very limited opportunities for people to relocate to Washington.

Figure 1. Comparison of Actual and Fitted Net Migration Using OFM's Model, 1976-2009



² Survival expectations in the fall 2007 forecast model were adjusted using life expectancies from: "Overview and Discussion of the Social Security Mortality Projections," Working Paper for the 2003 Technical Panel on Assumptions and Methods, Social Security Advisory Board, Washington D.C., May 2005.

B
Attachment



Annual April 1 Population and Components of Population Change: 1990 to 2030

C
Attachment

	April 1 Population at End of Period	Population Change		----- Components of Change from Previous Period -----							
		Number	Percent	Births		Deaths		Natural Increase	Net Migration		
				Number	Rate	Number	Rate		Number	Rate	
1990-1991	5,021,335	154,643	3.18	79,076	15.99	36,575	7.40	42,501	112,142	22.68	
1991-1992	5,141,177	118,842	2.39	80,236	15.79	37,160	7.31	43,076	78,766	15.11	
1992-1993	5,265,688	124,511	2.42	79,077	15.20	39,353	7.58	39,724	84,787	16.29	
1993-1994	5,364,338	98,650	1.87	78,194	14.71	39,535	7.44	38,659	59,991	11.29	
1994-1995	5,470,104	105,766	1.97	77,453	14.30	39,957	7.38	37,496	68,270	12.60	
1990-1995		603,412		394,036		192,580		201,456	401,956		
1995-1996	5,567,764	97,660	1.79	77,008	13.95	41,152	7.48	35,856	61,804	11.20	
1996-1997	5,663,763	85,999	1.72	78,035	13.90	42,632	7.59	35,403	60,596	10.79	
1997-1998	5,750,033	86,270	1.52	78,828	13.81	41,564	7.28	37,264	49,006	8.59	
1998-1999	5,830,835	80,802	1.41	79,758	13.77	43,145	7.45	36,613	44,189	7.63	
1999-2000	5,894,121	63,286	1.09	79,853	13.62	43,743	7.48	36,110	27,176	4.64	
1995-2000		424,017		393,482		212,236		181,248	242,771		
2000-2001	5,974,910	80,789	1.37	80,732	13.60	43,923	7.40	36,809	43,980	7.41	
2001-2002	6,041,710	66,900	1.12	79,291	13.20	44,900	7.47	34,391	32,409	5.39	
2002-2003	6,098,300	56,590	0.94	79,069	13.03	44,732	7.37	34,337	22,253	3.67	
2003-2004	6,167,800	69,500	1.14	80,957	13.20	46,025	7.50	34,932	34,568	5.64	
2004-2005	6,256,400	88,600	1.44	81,845	13.18	45,623	7.34	36,222	52,378	8.43	
2000-2005		362,279		401,894		225,203		176,691	185,588		
2005-2006	6,375,600	119,200	1.91	83,170	13.17	45,277	7.17	37,893	81,307	12.87	
2006-2007	6,488,000	112,400	1.78	87,752	13.54	48,181	7.18	41,591	70,809	11.01	
2007-2008	6,587,600	99,600	1.54	88,297	13.68	47,461	7.28	41,836	57,764	8.84	
2008-2009	6,688,200	80,600	1.22	90,500	13.65	48,758	7.36	41,742	38,858	5.86	
2009-2010	6,734,745	66,545	1.00	91,300	13.62	50,555	7.54	40,745	25,800	3.85	
2005-2010		478,345		442,019		236,212		203,807	274,538		
2010-2011	6,807,129	72,384	1.07	92,000	13.59	51,216	7.58	40,784	31,600	4.67	
2011-2012	6,899,296	92,167	1.35	93,116	13.59	51,949	7.58	41,167	51,000	7.44	
2012-2013	6,987,682	88,388	1.28	93,053	13.40	52,767	7.60	40,286	48,100	6.93	
2013-2014	7,076,593	88,911	1.27	94,430	13.43	53,619	7.62	40,811	48,100	6.84	
2014-2015	7,165,541	88,948	1.28	95,375	13.39	54,527	7.66	40,848	48,100	6.75	
2010-2015		430,766		467,974		264,078		203,898	226,900		
2015-2016	7,254,289	88,748	1.24	96,146	13.34	55,498	7.70	40,648	48,100	6.67	
2016-2017	7,342,772	88,483	1.22	96,882	13.27	56,499	7.74	40,383	48,100	6.59	
2017-2018	7,430,881	88,109	1.20	97,553	13.21	57,544	7.79	40,009	48,100	6.51	
2018-2019	7,518,500	87,819	1.18	98,188	13.14	58,669	7.85	39,519	48,100	6.44	
2019-2020	7,605,450	88,950	1.16	98,703	13.05	59,853	7.91	38,850	48,100	6.36	
2015-2020		439,909		487,472		288,083		199,409	240,500		
2020-2021	7,691,456	88,006	1.13	99,070	12.95	61,164	8.00	37,906	48,100	6.29	
2021-2022	7,776,475	85,019	1.11	99,462	12.86	62,543	8.09	36,919	48,100	6.22	
2022-2023	7,860,438	83,963	1.08	99,858	12.77	63,995	8.19	35,863	48,100	6.15	
2023-2024	7,943,293	82,855	1.06	100,290	12.69	65,535	8.29	34,755	48,100	6.09	
2024-2025	8,024,976	81,683	1.03	100,710	12.61	67,127	8.41	33,583	48,100	6.02	
2020-2025		419,528		499,390		320,364		179,028	240,500		
2025-2026	8,105,359	80,383	1.00	101,053	12.53	68,770	8.53	32,283	48,100	5.96	
2026-2027	8,184,493	79,134	0.98	101,485	12.46	70,451	8.65	31,034	48,100	5.91	
2027-2028	8,262,432	77,939	0.95	102,040	12.41	72,201	8.78	29,839	48,100	5.85	
2028-2029	8,339,195	76,763	0.93	102,698	12.37	74,035	8.92	28,663	48,100	5.79	
2029-2030	8,414,893	75,698	0.91	103,434	12.35	75,836	9.05	27,598	48,100	5.74	
2025-2030		389,817		510,710		361,293		149,417	240,500		
2000-2030		2,520,772		2,809,459		1,897,213		1,112,248	1,408,526		

Notes: Rates are computed per 1,000-midpoint populations; unrounded numbers are not meant to imply precision. Figures may not add due to rounding.

Office of Financial Management, Forecasting Division, November 2009

General Discussion of State Growth

Figure 3. Annual Population and Components of Change

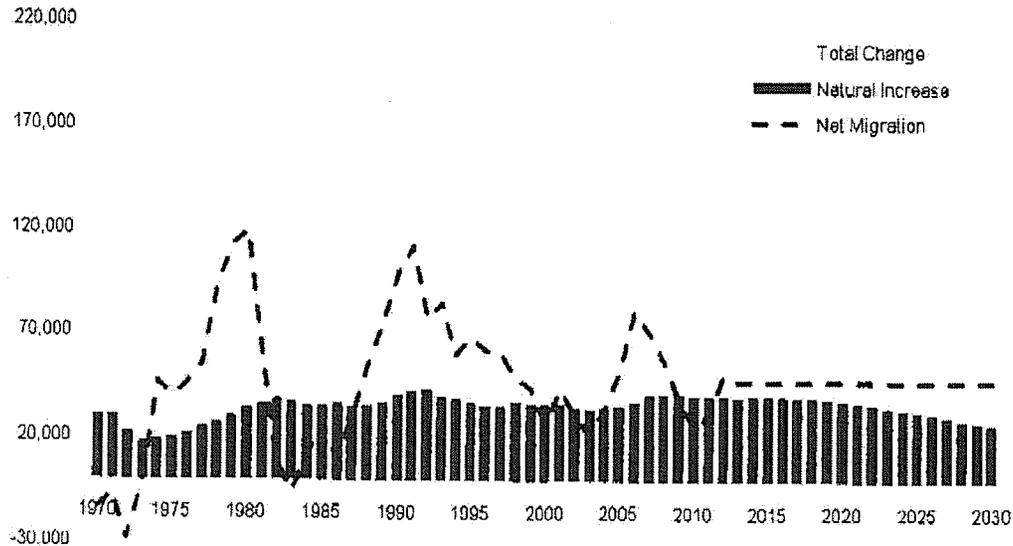
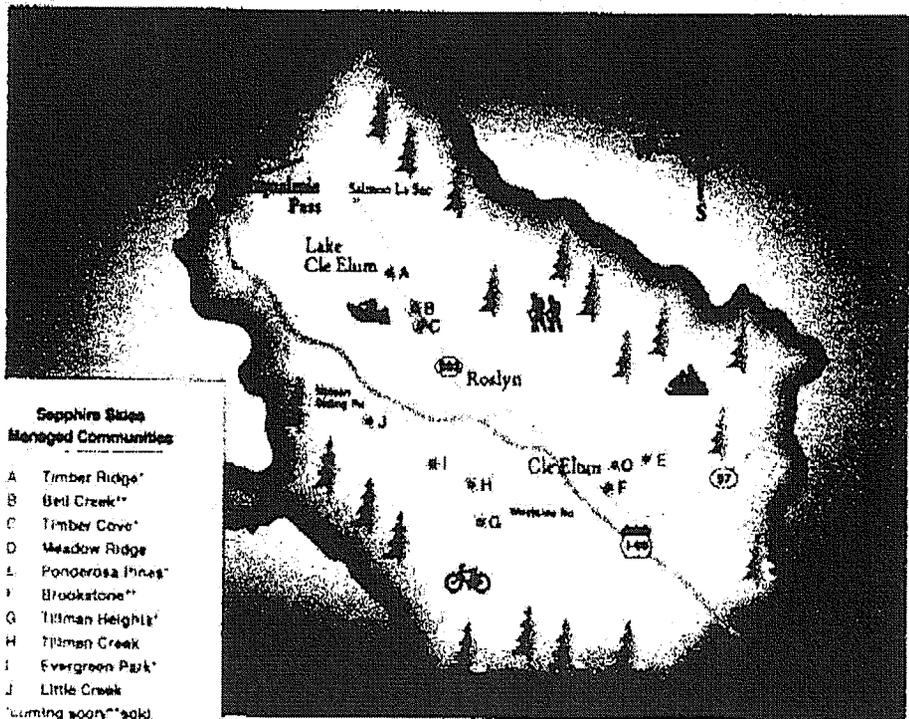


Figure 3 illustrates the level of components of change in Washington's population, whereas Table 1 provides the details of the population change. Over the thirty year period, Washington State's population is expected to grow by over 2.5 million to reach 8,414,900. Based on the migration assumptions adopted in the 2009 forecast, net migration contributes 1.4 million, or 56 percent, to the overall population increase during the 2000 to 2030 period. The excess of births over deaths is known as natural increase, which is expected to decline from the 41,800 level in 2009 to 27,600 by 2030. The decline is related to the fact that while the birth rates continue to remain steady, the death rates are expected to increase from 7.6 per 1,000 persons in 2010 to 9.1 in 2030. All the baby boomers will turn 65 sometime between 2011 and 2029, therefore increasing the population at risk of dying.

Changes of certain selected age groups can place new demands or contributions to community, economy, or government sponsored programs. Figures 4 through 7 display the annual distribution change for children ages 5 through 17; college age cohort 17 through 22; senior population 65 and over, and the most elderly population at 85 and over.



**Sapphire Slides
Managed Communities**

- A Timber Ridge*
 - B Bell Creek**
 - C Timber Cove*
 - D Meadow Ridge
 - E Ponderosa Pines*
 - F Brookstone**
 - G Tillman Heights*
 - H Tillman Creek
 - I Evergreen Park*
 - J Little Creek
- *forming soon**sold

Approximate depiction



RESPONSE TO COMMENTS SUBMITTED BY CHRISTINE OXLEY

Response to Christine Oxley Comment A-1: The Net Migration data provided as Attachment A to the Christine Oxley comments are for a different period of time than Washington State Office of Financial Management (OFM) population and housing projections used in the City of Cle Elum Comprehensive Plan and reported in City Heights Draft EIS Chapter 3 Sections 3.10 and 3.11. OFM forecasts for the 20-year planning period 2005-2025 are the basis for information reported in these documents. It is unlikely that State-wide data provided for the period 1979-2009 correlate directly with net migration into and out of the City of Cle Elum. The Draft EIS acknowledges in a footnote at the bottom of page 3.10-2 (in the Population section) that “*The EIS analysis of population projections is based on the City of Cle Elum (2007) and Kittitas County (2008) Comprehensive Plan context, which may have been affected by the 2008 national and global economic downturn.*”

Response to Christine Oxley Comment A-2: The 2008–2009 spike in home sales in the \$800,000 range within zip code 98922 in the 2005–2010 home sales data for zip code 98922 provided as Attachment B to the Christine Oxley comments likely reflect homes constructed predominantly (if not exclusively) within Suncadia. It is acknowledged that homes of this value do not match the salary range for most of the residents of Cle Elum. The City Heights Draft EIS reports in Chapter 3 Section 3.7 (pages 3.7-3 and 3.7-4) that “The average sale price in 2009 dollars is assumed to be \$382,000 for single-family detached homes; \$186,000 for single-family attached homes; \$115,000 for single-family detached lots; and \$41,000 for attached-unit lots, based on information provided by the project proponent.” The Draft EIS describes in Section 3.10 (page 3.10-3) the demographics of likely purchasers of homes within City Heights, who are also persons not likely in the income range to afford \$800,000 homes.

Response to Christine Oxley Comment A-3: It is unclear from Attachment C to the Christine Oxley comments how Total Washington State Population in 1990 (5,021,335 persons) compared to Total Washington State Population in 2030 (8,414,893 persons) could be interpreted to constitute a continual decrease in the Statewide population during that period of time. The percent change in the population number is positive for each year, ranging from 3.18 percent for the period 1990-1991 to 0.91 percent for the period 2029-2030. It could be construed that the rate of population growth within the State has slowed and is forecast to continue at a lower annual rate of growth. Both Attachment C and D show a decline in the *natural increase* of the Statewide population for the period 1990-2030 (indicating a trend toward a reduced number of births and an increased number of deaths each year as the baby-boomer generation ages). However, with *net migration* factored-in, no year shows a decline in Statewide population overall in these Attachments. Also see the response to Christine Oxley Comment A-1 with regard to the applicability of Statewide data to the City of Cle Elum, and the planning period for which OFM population and housing projections were used in the City of Cle Elum Comprehensive Plan and reported in the City Heights Draft EIS.

Response to Christine Oxley Comment B-1: None of the projects listed in Attachment E to the Christine Oxley comments is within the Cle Elum city limits. Consequently, there are no impacts or benefits to be derived there from by the City, and they do not reduce the number of housing units required to meet OFM projections within the City limits as reported in Draft EIS Section 3.11. Five of the projects listed in Attachment E have not yet undergone the construction of infrastructure (roads and utilities) for homes. Of the projects where infrastructure has been completed, one was developed (to this extent) by a predecessor to current ownership, and one by the current company. Those projects in which homes have been built are fully sold-out. The list of projects developed by Limited Liability Corporations (LLCs) related to Sapphire Skies and questions related to those may be relevant to Kittitas County if conceptual

land use Alternative 3A or 3B were selected; however, they are not relevant to the City’s consideration of Alternative 1 or 2.

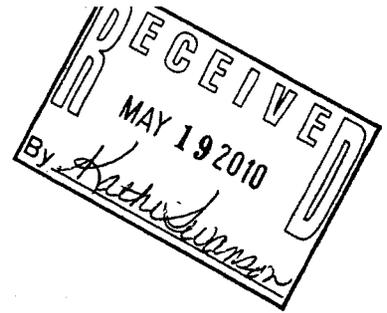
Response to Christine Oxley Comment B-2: See the citation of Footnote 1 from Draft EIS page 3.10-2 in the response to Christine Oxley Comment A-1.

Response to Christine Oxley Comment C: Throughout Draft EIS Chapter 3, three categories of Mitigation Measures are described: Mitigation Measures Included in the Development Proposal; Applicable Regulations; and Other Possible Mitigation Measures. In the Housing section (3.11) from which the phrase “*Contractors could be encouraged . . .*” is cited, there are no proposed mitigation measures and none required by regulation. Residential development of the site and the number of housing units proposed is consistent with City of Cle Elum Comprehensive Plan and zoning designations for the site and therefore anticipated by long-range planning for the City’s Urban Growth Area. Other Possible Mitigation Measures are offered as the Development Agreement is drafted and as conditions of project approval are written. These will be presented to City decision-makers for their consideration. If the City determines that these suggestions could have a substantive beneficial effect, they can be required of the development.

Response to Christine Oxley Comment D: No response required.

From Brad Page

City Heights



①

Dust Control

During times of Construction

Water Trucks on site,
or on call

② *

Conditions on Commercial
development.

No Am: Pm: type due to

- lighting
- runoff gas - oil
- peace & quiet

③ *

site Inspector - observer -
overseen to protect the city
to keep an eye on

Dust - methods of construction

④

Roads -

Oaks & Stafford Hills are not wide enough
for the amount of traffic so where to widen
them to - guard rails needed.

RESPONSE TO COMMENTS SUBMITTED BY BRAD PAGE

Response to Brad Page Comment #1: The Air Quality section of the Draft EIS (Chapter 3 Section 3.2, page 3.2-8) reports that the project will be required to comply with Washington Department of Ecology “fugitive dust” regulations set forth in the Washington Administrative Code (WAC 173-400-040). Specific construction practices that could be implemented for dust control are listed on page 3.2-9 in that section, and include:

- Spray exposed soil with water or other suppressant to reduce emissions of PM10 and deposition of particulate matter.
- Pave or use gravel on staging areas and roads that would be exposed for long periods.
- Cover all trucks transporting materials, wet materials in trucks, or provide adequate freeboard (space from the top of the material to the top of the truck bed), to reduce PM10 emissions and deposition during transport.
- Provide wheel washers to remove particulate matter that would otherwise be carried off-site by vehicles to decrease deposition of particulate matter on area roadways.
- Remove particulate matter deposited on paved, public roads, sidewalks and bicycle and pedestrian paths to reduce mud and dust; sweep and wash streets frequently to reduce emissions.
- Cover dirt, gravel and debris piles as needed to reduce dust and wind-blown debris.

As a condition of project approval, the City will include dust control requirements in permit conditions.

Response to Brad Page Comment #2: The preference for no AM/PM-type market within Neighborhood Commercial areas of the City Heights development is noted.

Response to Brad Page Comment #3: The Draft EIS Public Services section notes that the City Public Works Department will be responsible for construction inspection services (page 3.17-2).

Response to Brad Page Comment #4: The constraints of the Stafford Avenue hill are acknowledged. The Draft EIS Transportation section (page 3.16-17) indicates that the City Heights proposal includes reconstructing the substandard curve east of the Summit View/6th Street intersection to improve sight distance and roadway width.



City of Cle Elum <eiscomment@gmail.com>

EIS comments for City Heights proposed development

1 message

Bonnie Reay <drbonniereay@gmail.com>

Mon, Jun 7, 2010 at 3:40 PM

To: eiscomment@gmail.com, mmorton@cityofcleelum.com

Dear City of Cle Elum, Matt Morton,

My concerns regarding the very in depth EIS for City Heights are as follows:

- 1 Earth 3.1
I disagree with the lack of risks associated with the abandoned underground mines. It is prudent for the City of Cle Elum to hire their own "objective" geological firm for a "true" evaluation of said property. For the liability alone this would be prudent.
The areas said to be examined were not inclusive of all potential hazard areas.
- 2 Drainage - The flood of 2008 -2009 was NOT even mentioned. This area was larger than drainage West of 4th Street adjacent to Montgomery Avenue. The Lambert's house was affected, their back yard damaged. No where is this mentioned. Also, the egress and ingress on Montgomery Avenue is not addressed. The road is required to be 60ft wide? How does City Heights propose the widening of this road Montgomery?
- 3
- 4 Red Rock Coal Slag
An unmistakable downplay of the screened rock, there is evidence on near properties which are positive for arsenic, lead and chromium. What laboratory was used in the assessment? Was there more than one sample taken? In different areas? What about the drainage off of the red rock coal slags. Where does the water flow? Downhill to what? Again, Cle Elum for liability alone should contract their own geological study.
- 5
- 6 Fencing to redirect wildlife
This theory is false. Any hunter will explain the animals will be forced to come into Cle Elum City Proper. Children and pets will be put in potential harms way.

Thank you for taking the time to view some of my concerns.

RESPONSE TO COMMENTS SUBMITTED BY BONNIE REAY

Response to Bonnie Reay Comment #1: The *Coal Mine Hazards Risk Assessment: Final Report City Heights, Cle Elum, WA* (SubTerra, Inc., October 2009) was prepared by a duly certified and licensed professional engineer and Ph.D. with academic degrees in Mining Engineering and Rock Mechanics. Dr. Breeds' experience with abandoned mine impact evaluation is described in Appendix B of the Coal Mine Hazards technical report. This document was provided to all reviewers on the CD with Draft EIS electronic files. The City of Cle Elum would not anticipate significantly different results from a different investigator.

Response to Bonnie Reay Comment #2: The Draft EIS Stormwater Management section (Chapter 3 Section 3.18.3) describes hydrologic characteristics of the study area as follows:

"The entire City of Cle Elum and its Urban Growth Area are acknowledged as being located within a highly erosive area susceptible to frequent flooding. Many flooding events have occurred in recent years resulting from poorly maintained and deteriorated drainage patterns and undersized storm drainage systems" (page 3.18-26).

Because of the geologic and topographic attributes of the City, the project engineer conducted runoff modeling for the City Heights site for three scenarios: the 2-year and 25-year storm events required by Ecology's 2004 *Stormwater Management Manual for Eastern Washington*, and additionally modeled the 100-year storm event, which is not required by the 2004 *Stormwater Management Manual for Eastern Washington*. The purpose of the 100-year storm analysis was to generate additional information needed to understand and address, during design engineering, existing flooding issues downstream of the property (Draft EIS page 3.18-26). The Draft EIS acknowledges that *"Stormwater runoff effects from the site as a result of a storm and/or flood event of greater magnitude than the 100-year storm event would be considered a significant unavoidable adverse impact"* (page 3.18-33).

The back yard damage on the Lambert property is described in the Draft EIS Earth section (3.1):

"A recent small landslide along the southern site boundary near proposed Development Area G occurred in glacial deposits" (page 3.1-2).

The feature cited in Bonnie Reay Comment #2 related to the Lambert property is described in Section 4.3.5 (pages 15 and 16) of the *Preliminary Geology and Geotechnical Evaluation: Proposed City Heights Development, Cle Elum, Washington* (Aspect Consulting, October 1, 2009). This feature is not described in detail in the Draft EIS as it appears likely that recent excavation at the toe of the slope (up to 12 feet high at an angle of approximately 80%) to accommodate construction of a residence on the lot below City Heights proposed Development Area G contributed to instability of the slope during a period of high soil saturation. The *Geotechnical Evaluation* states that: "Provided stormwater best management practices are followed in the design and construction of the City Heights project, it is our opinion that this slope failure will not adversely affect the proposed development." Stormwater management during construction and in the developed condition of the project is proposed in accordance with Ecology's 2004 *Stormwater Management Manual for Eastern Washington* (see Draft EIS Chapter 2, Section 2.9.1, pages 2-16 through 2-20). Potential construction impacts associated with steep slopes on the site would be mitigated by complying with applicable regulations, accepted geotechnical and building standards, and Washington Industrial Safety and Health (WISHA) requirements. Additional geotechnical investigation may be needed at some specific locations (Draft EIS page 3.1-7).

Also see Kathy Stancik Comment #1 and the response to that comment.

Response to Bonnie Reay Comment #3: Ingress and egress using Montgomery Avenue is described in numerous locations within the Draft EIS:

Chapter 2, Section 2.6: Description of the Proposal and Alternatives – see pages 2-6 and 2-8.

Chapter 2, Section 2.9: Transportation System Proposal – see pages 2-28 and 2-31.

Chapter 3, Section 3.16: Transportation – characteristics of Montgomery Avenue are described in numerous tables in this section.

Chapter 3, Section 3.16: Roadway Network – see pages 3.16-17 and 3.16-18.

Chapter 3, Section 3.16: Traffic Volumes – see page 3.16-20.

Chapter 3, Section 3.16: Site Access – see page 3.16-27.

Chapter 3, Section 3.16: Public Service and Emergency Vehicle Access – see page 3.16-28.

With regard to widening Montgomery Avenue, see Kittitas County Public Works Department Comment 3C and the response to that comment.

Response to Bonnie Reay Comment #4: The Draft EIS Hazardous Substances Investigation section (3.1.5) summarizes the results of laboratory analysis of samples collected from the coal washing waste rock area and from the red rock area (pages 3.1-24 through 3.1-26). Two samples (one of waste rock and one of coal slag) were collected in the red rock area of the site. The Draft EIS reports that chemical concentrations in both of these samples were well below all environmental screening levels; therefore, this material does not pose any identifiable environmental risks (page 3.1-24). The complete *Coal Waste Rock Sampling and Analysis* report (Aspect Consulting, November 23, 2009) was provided to all reviewers on the CD with Draft EIS electronic files (Technical Report #3). Sixteen pages of laboratory certificates of analysis are included in that document as Attachment A. Both the firm that collected the samples and the laboratory that performed the analysis are appropriately qualified to perform their respective tasks related to this issue.

Response to Bonnie Reay Comment #5: The red rock area of the City Heights site is within Drainage Basin B, mapped on Draft EIS Figure 3.18.3-1. The description of this drainage basin is provided in Draft EIS Chapter 3 Section 3.18.3 (page 3.18-23), where it is reported that “*Runoff from Basin B enters the City of Cle Elum storm drainage system to the south.*”

Response to Bonnie Reay Comment #6: It is acknowledged that fencing to deter large animals from entering the City Heights development would not be 100 percent effective. The Draft EIS notes in the Wildlife and Habitat section: “*It is likely that human-animal encounters would increase with the introduction of residential development into areas presently used by wildlife as habitat.*” and that “*Interactions between humans in a residential neighborhood with animals like deer, elk, bear and cougar could have an undesirable and potentially dangerous outcome.*” (page 3.5-10). EIS Scoping comments submitted by the Washington Department of Fish and Wildlife asked that the EIS include mitigation measures to minimize conflicts with animals that would require control or enforcement actions on the part of their staff. A fence could be a deterrent, if not completely successful at encouraging animals to move east-west past the site along the northern boundary. Things that homeowners could do within the development to avoid attracting wildlife to the residential neighborhood are also described in Draft EIS Chapter 3 Section 3.5 on pages 3.5-10 through 3.5-12.



City of Cle Elum <eiscomment@gmail.com>

Feedback re EIS - City Heights

1 message

KATHY STANCIK <KATIEROSE4356@msn.com>

Mon, Jun 7, 2010 at 2:48 PM

To: eiscomment@gmail.com

Cc: mmorton@cityofcleelum.com

Mr. Morton:

My husband and I are property owners on West 6th Street. There are currently no homes existing between us and the proposed City Heights development. There are some items that are of concern to us:

- 1) Drainage - We are concerned about the effects of new patterns of drainage impacting our property. Despite attempts at mitigation, we know from experience (we have lived in this house for 37 years) that water finds its own way on this hill, and is known to change even established patterns. There are underground springs and water flows in this area. Any large scale development above us can impact those flows onto our property in a negative way.
- 2) Traffic - I notice in the EIS that access to "the hill" and therefore City Heights via Stafford Street is addressed. However there are two ways to access "the hill" and one of them is up Oakes Ave, which is the access very close to our home. We have already seen increased traffic, lumber trucks, cement trucks etc coming up this way for construction on the west side of the hill (#7 Hill). It is not realistic to think that there will not be increased traffic up Oakes Ave. as well as Stafford. The "intersection" at the top of Oakes is particularly treacherous, with a nearly blind corner and cars speeding (not an exaggeration) eastbound on 5th from the west.) We must fight both of these to go straight ahead up Billings at the top of the hill. This is already a dangerous corner and increased traffic from City Heights would only add to the problem.
- 3) Commercial Development - I am curious how the figure of the "market standard ratio" of 80 sq. feet per additional dwelling unit was determined. Cle Elum has its own unique issues and a history of having difficulty keeping people in town to shop. The same forces that drive long-term residents to shop elsewhere will undoubtedly affect newcomers as well. I am concerned this number may be inflated to make this development seem to have more economic promise for Cle Elum's downtown than is warranted. Even in the area's development "heyday" a couple of years ago, the effect on Cle Elum's

downtown was negligible, particularly in creating new retail businesses that would generate sales tax revenue to the city. Wouldn't improvements to the existing city (traffic, parking, good sidewalks, etc) promote retail, too?

4) Actual Development - Who will buy these homes? What jobs are available here to provide the demand for new homes when many dozens are for sale in town already? Is it the intention of the developer to actually build homes in City Heights, or is it to secure annexation and access to city services, which would greatly increase the value of his investment? Of what benefit would an unbuilt but annexed City Heights be to the City?

5) Landslides - As a homeowner who would potentially be in the direct path of a landslide, this is cause for concern. I note in the EIS there have been observed a few small landslides in this area. But what will happen when the natural vegetation has been removed and normal patterns of drainage have been disturbed? And what of the large amounts of sandstone on the hill and the impact it might have in the event of soil destabilization above? Would it not magnify the speed and intensity of a landslide? What liability would the the developer or the City of Cle Elum have in the event of a landslide impacting existing homes below? How would that be enforced? ***Will landowners on the hill now be forced to buy flood insurance to protect themselves from potential water and landslide damage?*** That is a prohibitive cost to anyone, much less retirees.

6) Public Services - The impact on the City of Cle Elum would be enormous and who will pay these costs will be worked out later, according to the EIS. What assurance do current city residents have that they will not see a substantial increase in taxes to cover public services for this residential development? What benefit is increased ***residential*** development to the city vs the increased cost of public services?

7) "Old" Cle Elum - What will the impact be on the existing city residences? IF homes are built in City Heights, that will undoubtedly increase the assessed valuation of our homes. Taxes will increase. And who will buy the homes for sale in "old" Cle Elum? What is the environmental and economic impact of countless vacant homes in "old" Cle Elum? (We are already seeing that-- hundreds of new residences would only make it worse.) I am frankly very concerned about an adverse effect on the real value of my home, while the assessed value and taxes ratchet upward.

In summary, I wonder if the promise of economic gain to the City won't turn out to be much like the promise offered by Suncadia--short-lived, fraught with difficulty, and leaving Cle Elum residents holding the bag in many significant ways. I believe this project needs MUCH more time to be considered and above all, the needs of the existing homeowners in Cle Elum should be the

FIRST priority. Thank you,

Kathy Stancik
209 W. 6th
Cle Elum WA 98922

RESPONSE TO COMMENTS SUBMITTED BY KATHY STANCIK

Response to Kathy Stancik Comment #1: The City has asked Northland Resources to have a baseline assessment conducted by a qualified professional engineer to identify existing problems with surface drainage or groundwater seepage downstream from the City Heights property. The assessment will include identification of known areas of seasonal erosion or land movement associated with surface water runoff or groundwater seepage (springs). Although no significant unavoidable adverse impacts were identified during preparation of the Draft EIS, the baseline assessment will be used to further evaluate the potential for impacts that could occur due to proposed development activities.

Response to Kathy Stancik Comment #2: The Draft EIS acknowledges that there would be increased traffic on Oakes Avenue and Stafford Avenue as a result of the City Heights development. See the Chapter 3 Section 3.16 Transportation subsection titled: *POTENTIAL DEVELOPED-CONDITION IMPACTS: Traffic Volumes* (pages 3.16-18 through 3.16-21), and Draft EIS Figures 3.16-4 and 3.16-5.

With regard to the dangerous corner in this area, see Brad Page Comment #4 and the response to that comment.

Response to Kathy Stancik Comment #3: The ratio of 80 square feet of commercial development per additional dwelling was used in the traffic analysis. The ratio represents 40 square feet of retail development and an equal amount of local-serving office space. The tax revenue projections are based on a separate, but related analysis for retail and selected services. Revenues are estimated as \$6,900 per household in local purchases derived from Statewide average household spending, adjusted for local income levels, and adjusted for leakage beyond the City limits. The spending factor reflects projected household spending and the portion that is likely to be captured by Cle Elum businesses. The projected spending would be spread among existing businesses and potential new businesses.

Response to Kathy Stancik Comment #4: Demographic characteristics of prospective home buyers within City Heights are describe in the Draft EIS Population section (page 3.10-3). Also see the notes of the May 13, 2010 public meeting question and answer discussion on the first page of Final EIS Section 2.2. An unbuilt but annexed City Heights property would benefit the City of Cle Elum in two ways: 1) The value of the annexed property would increase the City's tax base, with little or no demand for public services. 2) The property provides land capacity for the City to meet its long-term growth requirements.

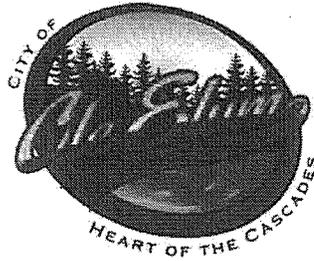
Response to Kathy Stancik Comment #5: Slope stability and drainage issues are closely related in the comments received on the Draft EIS. See the response to Kathy Stancik Comment #1 (above), and to Bonnie Reay Comment #2. Whether or not flood insurance is available or desirable for the types of problems that have occurred due to major storm events in recent years is a matter of insurance contract law beyond the scope of this EIS.

Response to Kathy Stancik Comment #6: Cost of public services questions were a topic of considerable discussion, input, and analysis during preparation of the Draft EIS. The *Cle Elum City Heights Fiscal Analysis* (Property Counselors, March 2010), Technical Report #4 on the CD of Draft EIS electronic files distributed to reviewers, provides detailed information on this subject. There are numerous statements made in the Draft EIS (such as the one on page 3.17-3 of the Public Services section) that "*The Development Agreement to be negotiated between the City and the project proponent if Alternative 1 or 2 is selected for implementation will address project costs for these and other general government services to assure that the development would pay for the cost of services it requires.*"

Response to Kathy Stancik Comment #7: Property values are influenced by many factors in addition to adjacent land use. Quality residential development within City Heights is anticipated to make the community more attractive and enhance the desirability of properties in general within Cle Elum. If market values increase, assessed values (and thus real estate taxes) will follow this trend. It would not be the case that property owners would experience lower assessed values and higher taxes because there is a direct correlation between the two (i.e., taxes are calculated based on assessed value).

It is not unreasonable to assume that existing homes at lower price points will always be in demand in the community. With the amount of new development proposed, the upward pressure on prices should be moderate (personal communication with Greg Easton, Property Counselors, June 17, 2010).

City of Cle Elum
119 West First Street
Cle Elum, WA 98922



JUN 7 - 2010
By K.S 2:10 pm
Telephone: (509) 674-2262
Fax: (509) 674-4097
eiscomment@gmail.com

Public Comment

City Heights Planned Mixed-Use Development EIS

Please submit written comments to the attention of Matt Morton,
Community Development Director, by **3:00 PM** on **June 7, 2010**.

There will be additional opportunities to comment during the development
3.5 Wildlife & Habitat review process.

3.5.2 Wildlife Species Use of the Site

We have observed spotted Owls on the
neighboring property and on the Cle Elum Heights property
during the recent past and we are concerned that the
spotted owls have migrated back to the area due
to the off-road vehicle and hunting bans on the
Heights project acreage. We request for the safety
of the spotted owl that a study be made by the
Dept. of Wildlife that this endangered species is
not nesting or hunting in the proposed area
of the Cle Elum Heights project.

Judy Waldenmaier
Name

802 W. 6th St, Cle Elum WA
Address

- I would like to receive e-mail notifications regarding the City Heights
Planned Mixed-Use Development proposal and EIS.

n/a

e-mail address

RESPONSE TO COMMENTS SUBMITTED BY JUDY AND JOHN WALDENMAIER

Prior to preparation of the City Heights Draft EIS, comments and input about the scope of this EIS were solicited from the Washington Department of Fish and Wildlife (WDFW). The agency, in its June 4, 2010 letter of Scoping comments, identified eight areas of concern that it wished to see addressed in this EIS. The City of Cle Elum has had additional follow-up with WDFW since the June 4 letter was submitted, to gather further clarification about the issues of importance to this agency. In addition, Draft EIS Chapter 3 Section 3.5 reported the results of reviewing the WDFW Priority Habitats and Species (PHS) database for information regarding the presence of spotted owls on or near the City Heights property. Neither the agency nor its PHS database identify the Northern spotted owl as present on the project site. The PHS database identifies the south edge of an established spotted owl territory approximately 1 mile north of the western end of the City Heights site (page 3.5-4). This location is within the more than 1,000,000-acre commercial forest and wilderness area north of the City Heights property (described on Draft EIS page 3.5-10). Known nest sites and the zones that surround nest sites are the areas that are protected.

Northern spotted owls are nocturnal (personal communication with Ed Sewall, Project Biologist, Sewall Wetland Consulting, July 12, 2010). While it is possible that they could be observed while perched and stationary during the day, it is more likely that they would be observed while active at night. More common barred owls are often mistaken for Northern spotted owls.

The habitat present on the City Heights site is not the type that would support Northern spotted owls. Spotted owls do not migrate; they generally stay within the same area. Their preferred habitat is old-growth Douglas fir forest, though they have been reported to occur in almost all major types of coniferous forests (see the ThinkQuest Library article, following). Trees on the City Heights site are not old-growth. The property has been logged more than once, as reported in Draft EIS Chapter 3 Section 3.5.1. Occurrence of spotted owls in Ponderosa Shrub Forest (such as that which occurs on the City Heights property) is usually limited to elevations where a dominant component of the forest, in both the overstory and understory, is white fir, silver fir, or both. These species of fir were not identified to occur on the City Heights site by the habitat biologist (see Draft EIS page 3.5-1).



The Northern Spotted Owl

(*Strix occidentalis caurina*)

The Northern Spotted Owl is found in the cool, moist woodlands of the Pacific Northwest. The Northern Spotted Owl has a round face and distinctive, dark brown eyes, but no ear tufts like those of the great horned owl. The overall color of its feathers is chestnut brown, and the tail feathers appear barred with lighter brown and white. Sometimes there is white and brown spotting on the underparts and the breast. The spotted owl is a predatory bird, and like many other species of predatory birds, the female is larger than the male. The average size of the adult spotted owl is 18 inches tall and it has a wing span of around 48 inches.

Northern Spotted Owls are not migratory birds, and they generally stay in the same area. They used to be found from southern British Columbia, Canada to western Oregon and the coastal areas of northern California, but now they are uncommon in some areas. The spotted owls found in California and Mexico are related, but slightly different.

Northern Spotted Owls prefer to live in "old growth" forests of Douglas fir, but they have been reported to occur in almost all major types of coniferous forests. They occur at higher elevations further south. For example, they occur at higher elevations in Oregon than in Washington. This is a general response to gradual latitudinal changes in vegetation and climate. Forest types in Washington and Oregon that may be 200 or more years old are:

- Spruce/Cedar/Hemlock Forest
- Cedar/Hemlock/Douglas-fir Forest
- Mixed Conifer Forest
- California Mixed Evergreen Forest
- Silver Fir/Douglas-fir Forest
- Red Fir Forest
- Ponderosa Shrub Forest With White Fir/Grand Fir
- Fir/Hemlock Forest
- Grand Fir/Douglas-fir Forest
- Douglas-fir Forest

Occurrence of spotted owls in Fir/Hemlock Forest and Ponderosa Shrub Forest is usually limited to elevations where a dominant component of the forest, in both the overstory and understory, is white fir, silver fir, or both. Forest types not used by spotted owls include subalpine fir and pure stands of ponderosa pine, lodgepole pine, and Sitka spruce.

Some general characteristics of the habitat of the spotted owl can be described as:

- Trees relatively large in diameter in the stand
- Multi-layered canopy of trees with a moderate to high canopy closure in overstory, midstory, and understory
- Large, tall, live trees with cavities, broken tops, mistletoe, or platforms of branches capable of holding accumulated organic matter suitable for use as a nest
- Dead standing trees and fallen decayed trees to support abundant populations of prey species, especially northern flying squirrels and woodrats

The plants which grow close to the ground are very important to the owls, as they are used for resting or "roosting" in the deep shade during warm weather. During cold and wet weather the owls avoid the lower temperatures near the ground by roosting in the trees, which increases their exposure to the sun's warmth.

The tops of broken trees or cavities in tree trunks are used by the owls for nests. They occasionally will use an old eagle or raven nest, but they do not build their own nests.

The owls begin hunting just after sunset and stop shortly before sunrise, making them nocturnal animals. Their major source of food is rodents such as flying squirrels, woodrats, and gophers. They also sometimes eat birds, insects, and reptiles.

Spotted owls hunt by sitting quietly on elevated perches and then swooping down upon their unsuspecting prey. When they are caring for their young, they store excess food and retrieve it later. The owls mate for life. The female lays eggs in about March and April and the male brings food to her. She usually lays two or three eggs and they hatch in about 30 days. For the next four to six months the male continues to do most of the hunting and the female feeds the prey to the young owlets. As the owlets mature, they begin roosting away from their parents and make longer movements at night, developing their skills as fliers and hunters, until finally, in about September or October, they leave and begin fending for themselves and looking for mates.

Survival Statistics

- Juvenile Annual Survival 11%
- Adult Annual Survival 96%
- First Year of Reproduction Year 3
- Average Birth Rate 0.48 (juvenile owls per pair per year)

The great horned owl is the major predator for owlets, but ravens, goshawks, Coopers hawks, and red tailed hawks have also been known to kill and eat them. Very few animals prey on adult spotted owls. Northern Spotted Owls still inhabit a broad area, but their numbers are declining. The number of spotted

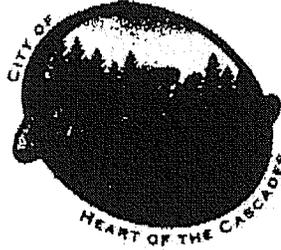
owls on lands in Oregon managed by the U.S. Department of the Interior, Bureau of Land Management (BLM), is estimated at 118 pairs. There are 278 sites at which spotted owls were located in 1987. An interim agreement was entered into between the Bureau of Land Management and the Oregon Department of Fish and Wildlife to maintain 110 sites on BLM land. To ensure future survival, the owl needs special management care.

The Federal Bureau of Land Management and the U.S. Forest Service are developing land use plans which will provide the opportunity to manage areas of habitat to maintain a healthy population of the owls. Of course, the owl is not the only species which will benefit from land use plans. Managing forest habitats for owls will also provide many other wildlife species with places to live.

Some literature indicates that the population of Spotted Owls is all the way down to a mere 1200 pairs in Oregon, 560 pairs in northern California, and only 500 pairs in the whole state of Washington. Even though the adult owl doesn't have any major predator in the way of animals, you could say the most dangerous predator is man himself.

SPECIES **MAIN** **STATES**

City of Cle Elum
119 West First Street
Cle Elum, WA 98922



RECEIVED
JUN 7 - 2010
By KS

Telephone: (509) 674-2262
Fax: (509) 674-4097
eiscomment@gmail.com

Public Comment

City Heights Planned Mixed-Use Development Draft EIS

Please submit written comments to the attention of Matt Morton, Community Development Director, by **3:00 PM on June 7, 2010**. There will be additional opportunities to comment during the development approval process.

① I do not want Cle Elum to end up like this or like Issaquah.

② This study leaves to many unanswered questions.

Pat Woodell 324 Broadway Cle Elum
Name Address

I would like to receive e-mail notifications regarding the City Heights Planned Mixed-Use Development proposal and EIS.

e-mail address

By Amy Hsuan, The Oregonian

GLENWOOD, Wash. -- For 100 years, Ponderosa pines nourished this logging town of 500 nestled along Mount Adams' southeastern flank. But in the past few years, a change has taken over the woods, unsettling residents and their relationship with the land.

Here and throughout the Pacific Northwest, investors have been buying millions of acres of forestland, betting on big payouts for their clients -- pension funds, university endowments and foundations.

Today, timber investment management organizations and real estate investment trusts represent the largest private landowners in Oregon and across the country.

Over the past decade, investor-owners have used one big advantage as they've quietly replaced traditional forest products companies: They don't pay corporate taxes. This month, Weyerhaeuser, the nation's last major publicly-traded integrated forest products company, announced it will become a real estate investment trust next year.

The nonprofit Mount Adams Resource Stewards has found ways to tap the forests for new products and more work for residents. In 2007, the nonprofit raised \$300,000 from private and federal grants to create a new business out of low-value, small-diameter wood from forests surrounding Glenwood, Wash. With timber prices flatlining and real estate values rising, many private forestland owners are shifting their gaze to building homes rather than growing trees. Landowners elsewhere in the country, under pressure to maximize returns, have looked to convert forests into subdivisions and resorts as trees become less valuable than the land they occupy.

The unprecedented change in land ownership raises concerns about the impact on wildlife and natural resources, as well as the increased costs of protecting residents from forest fires. Nationwide, about 1 million acres of forestland are lost to development every year. In the Pacific Northwest, it begs the question: What does the future for forestry look like in a region defined by it?

In timber-dependent towns like Glenwood, the change carries the fear of the unknown. As landowners come and go quickly, their financial decisions could create a patchwork of forests and rural sprawl.

"Without the land, there's nothing here," says forester Jay McLaughlin, who lives in Glenwood. "If we don't keep places like this going, they're going to end up being playgrounds for the rich or turn into ghost towns."

Investors take root

Institutional investment in timberland nationwide soared from \$1 billion in 1990 to \$40 billion in 2007, according to Yale University and other sources.

"When I first started in this business in the '90s, my job was as a missionary trying to

explain why forestlands were a good investment," says Matt Donegan, co-founder of Forest Capital Partners, one of the nation's largest timber investment management organizations, which has a Portland office. "Now, people are seeking me out."

Between 1996 and 2007, 84 percent of the nation's 70 million acres of privately-owned industrial forests changed hands, according to a survey by Portland-based consultants U.S. Forest Capital.

"It's an astonishing rate," says Tom Tuchmann, the firm's president and a former adviser on timber issues to President Bill Clinton. "Increasingly, we're seeing even more parceling off."

Starting in the 1990s, federal limits on logging to protect wildlife species cut off a major supply of timber in the Pacific Northwest. With the constricted supply, timber prices shot up and private forests rose in value.

But as the bulky timber giants found themselves losing ground to competitors from Argentina to New Zealand, they narrowed their focus to operating mills and manufacturing wood products. In Oregon, timberland owners such as Boise Cascade and Georgia Pacific sold all their land -- hundreds of thousands of acres. Others fell into bankruptcy.

Wall Street snapped up the properties. Pension funds, endowments and foundations found timber to be a safe place to park billions of dollars as a hedge against inflation. Since 1986, timberlands generated annualized returns of 14.5 percent, according to the National Council of Real Estate Investment Fiduciaries' Timberland Property Index.

Insurance and title companies, which invest policyholder premiums to generate returns, also opened real estate divisions. Fidelity National Financial, based in Florida, now owns 520,000 acres of Oregon forestland.

Around Glenwood, Hancock Timber Resource Group, a subsidiary of Manulife Financial Corp., is now the largest landowner. It owns a half-million acres across Washington and 140,000 acres in Oregon.

"Over the years, in order to maintain the insurance business, we've had to learn how to manage money," says John Davis, acquisitions manager for Hancock, which has an office in Vancouver. "There's a duality to the business."

A jigsaw forest

From a bird's-eye view, one owner's land is indistinguishable from the next. But on a map, the roughly 111,000 acre tract formerly known as the Klickitat tree farm, looks like a jigsaw puzzle. The property has seen more landowners since 2000 than in the entire 20th century. In the past, long-time wood products companies like St. Regis, Champion and International Paper logged the forest 25 years at a time.

Now, investor-owners sell parcels every two years. In 2007, a group of six investors bought 82,000 acres. Last fall, one of the investors sold his 12,300 acres to another investment firm, now the sixth owner of the property.

"What happens when you chop the land into little chunks?" says George Hathaway, a former rancher who grew up in Glenwood. "You don't have a forest anymore."

Timber investment management organizations and real estate investment trusts, which have expanded like wildfire, have been hit by the recession along with others in the forest products industry. They wield a fundamental advantage: They don't pay corporate taxes, which range up to 35 percent. Instead, their shareholders or investors pay capital gains taxes of 15 percent based on dividends.

This month, Weyerhaeuser's board of directors approved the company's transition to a real estate investment trust for those reasons, says Bruce Amundson, spokesman for the Federal Way, Wash.-based company.

Clark Binkley, managing director of Boston-based International Forest Investment Advisors, says the tax advantages for investors have made it hard for companies to compete.

"Nobody said 'we don't want to have any integrated forest products companies,'" he says. "But now it's basically impossible to operate an integrated forest products company in the U.S."

When it comes to big-ticket purchases, investment managers can raise millions of dollars through their investors, while companies must go to the bank and pay interest. Plum Creek Timber, based in Seattle, converted to a public real estate investment trust in 1999. Today, it's the nation's largest private landowner with more than 7 million acres, including 430,000 in Oregon.

"The primary reason why Plum Creek became a real estate investment trust was so we could gain access to capital to grow the company," says spokeswoman Kathy Budinick.

In Oregon, privately-held family-owned companies still hold millions of acres. But they don't have the same purchasing power.

"The timber investment management organizations can go to their investors and raise \$100 million with no debt, no interest," says Steven Zika, CEO of Portland-based Hampton Affiliates, a family-owned company with 85,000 acres in Oregon. "Within the last five years, we couldn't make enough cash from selling logs to make the interest payment."

Tough economics

Jay McLaughlin's first glimpse of Glenwood was on a calendar, which lured him and his wife here for teaching jobs in 1998. McLaughlin left to earn a degree in forestry from

Yale University in 2000, then moved right back.

The 37-year-old worries about the fate of the town, less than an hour from Hood River. Its mill closed in 1927.

"What's the future for a place like Glenwood?" McLaughlin asks.

Glenwood's mill closed in 1927, but the town has long been dependent on the forests for economic survival. Today, logging and forestry continue to be a major source of employment through investment managers who have purchased timber land with cash from institutional investors. In the past, traditional companies owned land to supply timber to their mills. They invested in research to find more efficient ways to grow trees, their primary business.

Investment managers have an objective to maximize returns for their investors. And as the timber industry grows tougher, selling land for development has become an opportunity for all forest owners. In industry talk, it's called "higher and better use."

A growing gap in the economics of timber versus housing development ramps up the pressure. The going price for property at timber value in Oregon is \$2,000 to \$4,000 an acre. If it's sold as a home site, it's worth \$30,000 an acre.

"There's a greater pressure to maximize returns and to find alternative revenue," says Ray Wilkinson, executive director of Oregon Forest Industries Council, a trade group that represents the state's largest private landowners. "The new ownership structure has investor expectations that are different from traditional forest products companies."

But hard times for the past several years mean even family-owned companies feel pushed in that direction.

"It takes 40 to 50 years to grow a tree," says Zika, of Hampton Affiliates. "With the recession, it's tough to resist selling a tract. We do more of it in tougher times."

In Oregon, where land use laws prohibit much development in forestlands, the pace of it has been far slower than elsewhere. In Montana, large homes speckle forests. In Washington, the loss of forests has been 10 times faster than Oregon, according to preliminary studies by the Oregon Department of Forestry.

Homes still crop up in Oregon. Between 2000 and 2005, more than 6,000 homes were built on land zoned for forest uses. With more people living in the woods, some worry about the cost of fighting wildfires, most of which are caused by humans. The closer the fires are to homes, the more expensive they are to fight.

"It's going to be a slow filling-in," says Gary Lettman, economist for the forestry department. "But if you put a house out there, it's going to be much more difficult to manage for wildlife and forestry."

Buying a forest

In Glenwood, a handful of new homes has sprung up, but the newcomers highlight a bind for rural communities. They bring fresh faces, but with second homes, they tend to visit only on weekends or holidays.

Across the country, development in forests forges once-unimaginable alliances between conservationists and the forest products industry. Now, the two sides work together to preserve "working" forests, pitching for financial rewards for tree-growing.

Biomass energy markets, which will make use of waste wood, and tax incentives for providing wildlife habitat, clean water and air could soon be on the horizon.

In Minnesota, forestland owners are paid recreation access fees of \$8 an acre, which means \$2.5 million a year for Forest Capital Partners, which owns 300,000 acres there.

The Shade Tree Inn is one of two main businesses in Glenwood, which has lost many businesses over the years as the forest products industry has declined. The inn's restaurant serves as a defacto community center for the town. "Sometimes the gap between development and timber is too big," says Donegan, who hopes to see trees become more viable. "But we have to ensure our working forests are going to survive and we need to find a way to give forestland owners some rewards."

In 2003, McLaughlin started a nonprofit, the Mount Adams Resource Stewards. At Yale, he learned about communities in New England buying forests. Last year, he took a group of residents from the surrounding area to explore several projects in Maine.

"It really opened my eyes," says Hathaway, who sits on the nonprofit's board. "If we can buy this land, we can keep that money right here in Glenwood, and it doesn't have to go to Wall Street."

The new landowner around town is a timber investment management organization called Conservation Forestry, which sells lands to interested nonprofits -- a rising trend and a new opportunity for Glenwood. But to buy a forest, McLaughlin will have to come up with a lot of money.

"Everything has to be on the table right now," he says. "There is so much land changing hands, there's pretty radical things happening on the landscape. We need pretty bold ideas."

RESPONSE TO COMMENTS SUBMITTED BY PAT WOODELL

Response to Pat Woodell Comment #1: Ms. Woodell's preference to not live in an area such as Issaquah is acknowledged. The Draft EIS does not equate the City Heights development proposal to Issaquah. The article regarding Glenwood, Washington, is acknowledged.

Response to Pat Woodell Comment #2: The Draft EIS provides more than 300 pages of comprehensive analysis of all elements of the environment required by the Washington State Environmental Policy Act (SEPA). It is not possible to respond to Pat Woodell Comment #2 without specific identification of the unanswered questions. Also see the comments submitted by Deidre Link and the response to those comments (earlier in this section).

